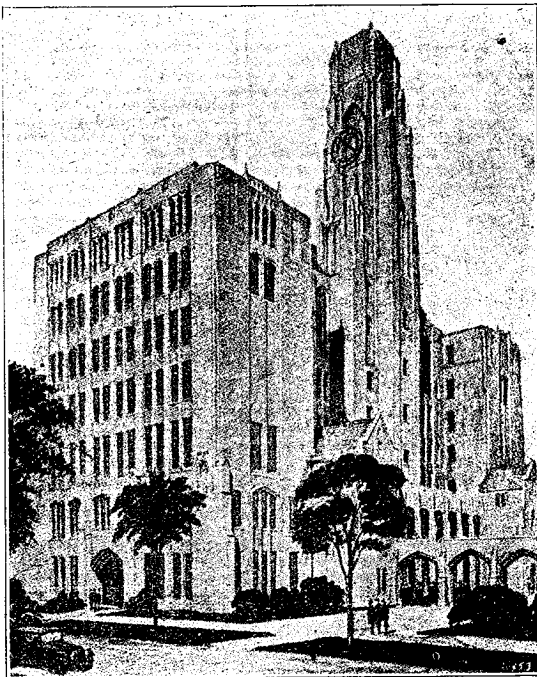


BEWARE OF NORTHWESTERN UNIVERSITY!



WIEBOLDT HALL—THE HOME OF FALSE EDUCATION

By
EMIL O. JORGENSEN

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WHEREAS, Professor Richard T. Ely has established an Institute for Research in Land Economics and Public Utilities, now connected with the Northwestern University,

WHEREAS, this institute, claiming a neutral and impartial attitude towards the subjects of its investigation, is supported by funds obtained from that group whose interest is bound up with the existent methods of taxation,

WHEREAS, the work of Professor Ely and of the institute has been shown to have disregarded the duty of clear definition of terms without which scientific procedure is impossible, and, further, has been shown to have been offered by them and used by the selfish interests by which their work is financed for the purposes of propaganda for existent methods of taxation,

WHEREAS, the basic books prepared by or under the direction of Professor Ely as outline for the research of the institute have been shown to abound in fallacies of economic theory, all of which fallacies tend toward supporting existent methods of taxation and opposing any experimentation for improvement and belie their pretense of impartiality by laying down in advance the conclusions which should mark the end of the research,

WHEREAS, numerous instructors, trained in Professor Ely's institute, have found places in various institutions of general education throughout the country there to become propagators and defenders of the doctrines of the institute,

BE IT RESOLVED by the Chicago Federation of Men Teachers that we denounce Professor Ely and his institute as an insidiously dangerous factor in the social and educational fabric of our country and that we bring them to the attention of the American Federation of Teachers at the Tenth Convention in order that the convention may examine the question and take such action as in its judgment may best serve to promote justice, progress and the welfare and safety of American institutions.

Adopted April 16, 1926.

BEWARE OF NORTHWESTERN UNIVERSITY!

By EMIL O. JORGENSEN

"Till fares the land, to hastening ills a prey,
Where wealth accumulates, and men decay."

When Oliver Goldsmith penned these famous lines he little suspected that the evils he described might often be due as much or even more to the decay of the colleges and universities of a nation, than to the decay of its men. Yet such is the case. Colleges and universities can, notwithstanding their increase in size and wealth and power, decay as well as men—decay both intellectually and morally.

Take, for instance, Northwestern University in Evanston and Chicago—that rich and powerful institution of learning directed by Judge E. H. Gary of the United States Steel Corporation, Nathan William MacChesney of the National Association of Real Estate Boards, Samuel Insull of public utility fame and other financial magnates of the nation.

On June 11 of this year Northwestern University dedicated on the McKinlock Memorial Campus in Chicago its new million dollar Hall of Commerce, donated to it chiefly by Mr. W. A. Wieboldt. The day was beautiful, the gathering was large and illustrious and the ceremonies were most impressive—Mr. Nathan William MacChesney of the National Association of Real Estate Boards being personally in charge of the dedication exercises.

Of course, when the cornerstone of any famous building is laid the audience expects some fitting addresses to be delivered and on this occasion many addresses filled with noble sentiments and high ideals were delivered—sentiments and ideals that swelled the hearts of the listeners and lifted them into the realms of the sublimest thought.

Standing before the magnificent structure over whose stern and chaste doorway is carved the beautiful words of Edmund Burke—

"If we command our wealth we shall be rich and free;
If our wealth commands us we are poor indeed!"

—the large audience that had come to witness the cornerstone ceremonies heard Mr. Robert W. Campbell, the president of the Board of Trustees of Northwestern University, eloquently tell how Wieboldt Hall would "long abide as a center of sound learning" and of "noble service to humanity"; it heard Mr. Melvin Hawley, the president of the General Alumni Association, declare how the Hall would be "nobly used in large and helpful service"; and it heard Dr. Walter Dill Scott, the President of the University, proudly exclaim how it had "added to Northwestern still larger abilities for service to mankind." Last but

not least the vast assembly, thrilled with emotion, saw Dr. Ralph E. Heilman, the Dean of the School of Commerce, reverently lift his face to the skies and utter these exalted words:

"May this building, committed to our trust for noble use, be ever the home of truth and of service, of light and of hope and of a more abundant life."

A wonderfully impressive and inspiring ceremony it was, the most impressive and inspiring in the opinion of many that has ever been held in connection with any American university.

But alas! Now we come to an event that throws an unpleasant light on the whole affair—an event that indicates strongly, not merely that the ceremony itself, but that the words uttered by the speakers at the cornerstone of Wieboldt Hall were saturated with hypocrisy!

Just one day before the above dedication exercises took place in Chicago a large convention was being held in Tulsa, Oklahoma. It was the annual convention of the National Association of Real Estate Boards—an association having an active membership of about 27,000 and representing half of the total property values in the United States.

The knotty question of taxation was being discussed at the convention—how the burden could be better distributed; how "lightened" so that a smaller share of the load would fall upon the value of land and a larger share fall upon incomes, occupations, sales, tax-exempt bonds, articles for consumption and the like; how the growing sentiment in favor of Henry George's singletax idea might be checked; how friendly "fact finding" bodies could be more liberally aided and supported; and particularly how larger funds needed in the fields of tax education and legislation might be raised by the Association. The discussion ended with the passage of the following resolution:

"WHEREAS, in view of the increasing needs and growing responsibilities of the National Association of Real Estate Boards, especially in the fields of education, taxation, research and legislation, it is imperative that more adequate funds be provided for its activities.

"THEREFORE, BE IT RESOLVED that it is the sense of the Board of Directors of the National Association of Real Estate Boards that the per capita dues of active members of Member Boards be increased from five to ten dollars per annum, such increase to be effective as of January 1, 1927."

Now since Nathan William MacChesney, the General Counsel for the National Association of Real Estate Boards, which on June 10th passed the above resolution to provide an additional \$135,000 a year for "education, taxation, research and legislation," is the same Nathan William MacChesney who, on the following day, presided at the dedication of Wieboldt Hall, it certainly indicates that the Hall will be used, not as the honorable Messrs. Campbell, Hawley, Scott and Heilman have said, for "noble service to humanity," but for advancing the special interests of a few. If it does not indicate this, what does it indicate?

It will be said, of course, that this event is a mere coincidence; that there is no more relation between the National Association of Real

Estate Boards and Northwestern University than there is between the Powers of Darkness and the Lord's Prayer; and that it would be very unjust to infer from the resolution that Wieboldt Hall will be used for any purpose save as a "home for truth and light" and for "noble service to mankind."

Very well; let us then turn to the literature published by Northwestern University itself. Let us examine, for instance, the NORTHWESTERN UNIVERSITY BULLETIN dated August 9, 1926, which BULLETIN (128 pages) is the official catalogue of the School of Commerce for the year 1926-1927.

In this BULLETIN we are furnished with unimpeachable evidence that our inferences are correct. We are here given definite proof that instead of being used as a "home of truth and light" and for "noble service to mankind," Wieboldt Hall is to be used as a spawning-bed for economic error, as a breeding-place of false ideas, and as the permanent home of what is without a doubt the most stupendous effort to mislead the people of the nation for the benefit of special privilege and monopoly ever attempted in modern times!

Since this statement is certain to be challenged let us examine the BULLETIN with the closest care.

In the first place we discover in this UNIVERSITY BULLETIN—or catalogue—an entirely new educational organization having its own staff of instructors and an elaborate program of study which has not appeared in the BULLETIN before. This organization, which will be quartered in Wieboldt Hall, is the separately incorporated and privately endowed "Institute for Research in Land Economics and Public Utilities" founded and directed by Prof. Richard T. Ely. The BULLETIN describes Prof. Ely's organization (pp. 21-22) in the following language:

"The Institute for Research in Land Economics and Public Utilities, which is separately incorporated and affiliated with Northwestern University, was organized for the purpose of conducting research in the economic problems of landed property and public utilities. The full time members of the Institute Staff devote to teaching in their respective fields only that amount of time which contributes most to a high quality of research. This teaching is done in regular university courses.

"Through the research and instructional work of the Institute exceptional opportunities are offered for advanced students in the fields of Land Economics and Public Utilities. The conference and tutorial method of instruction is followed with all graduate students in these fields, bringing students and instructors into close co-operation.

"Among the facilities at the disposal of students in these fields are the Institute's research library and the unique personal library of Dr. Richard T. Ely. A limited number of students with advanced training and the necessary background can be accommodated as research assistants in the work of the Institution on a part time basis."

On the surface, of course, there appears to be nothing wrong with this. And, indeed, on the surface there is not. Research, whether conducted within a university or outside of it, is always to be commended and never to be discouraged. This is particularly true in the field of

economics. For, so many remedies of one kind or another have been prescribed for the economic ills that beset society that it is utterly impossible for the common man to determine which remedy is right and which is wrong. Hence he, who, in a scientific, impartial and fearless manner, undertakes the prodigious task of assembling, analyzing, classifying and interpreting the multitudinous facts of the body economic so that the ordinary man-in-the-street may reach a correct and sound conclusion—let us repeat, he who sets out on this heroic task deserves, not censure, but the sincere thanks of the entire world. Superficially, then, there appears to be great good in the Institute's undertaking as above described and no evil. But let us continue.

It will be noticed in the above quotation from the UNIVERSITY BULLETIN that besides "conducting research" the full time members of the Institute staff will also do teaching. The names of the members who will do this teaching are listed (pp. 7-9) in the BULLETIN as follows:

LAND ECONOMICS

Richard T. Ely, B. A., M. A., Ph. D., LL. D.,	Research Professor of Economics
Henry Charles Taylor, Ph. D.,	Professor of Economics
George S. Wehrwein, Ph. D.,	Professor of Economics
Herbert D. Simpson, B. A., M. A.,	Associate Professor of Economics
Arthur J. Mertzke, B. A.,	Assistant Professor of Economics
Albert G. Hinman, M. A.,	Assistant Professor of Economics
William H. Ten Haken, M. A.,	Assistant in Economics
Herman O. Walther, B. A.,	Assistant in Economics

PUBLIC UTILITIES

Herbert B. Dorau, M. A.,	Assistant Professor of Economics
Edward W. Morehouse, M. A.,	Assistant Professor of Economics
Carl Magnus Hallgren, B. S.,	Assistant in Economics

Again there appears, on the surface, to be nothing wrong here. These men who will teach as well as "conduct research" in the field of land economics and public utilities are certainly as capable and as skillful in their profession as any that can be found.

They are indeed. But there is one point in this connection that requires some explanation. Why, in an undertaking of this kind, should teaching begin at the very moment the research is started? It takes time to gather, to arrange, to classify and to analyze facts of any kind, and in the vast field of land economics and public utilities it will require a particularly long time, by the method adopted, before a safe and sound conclusion can be reached. Indeed, Prof. Ely himself is authority for the statement that it will take "more than one hundred years" to complete the gigantic task he has just begun. Hence why teaching should start at the very outset of the proposed investigation is something that by all rhyme and reason needs to be explained.

If we turn, however, to pages 73-78 and 87-91 of the aforesaid BULLETIN we shall find, in large measure, the answer to this puzzle. On

these pages are given a total of thirty-five courses in Land Economics and Public Utilities to be taught in the Northwestern University School of Commerce—courses leading to the Bachelor's, the Master's and the Doctor of Philosophy degrees. The courses in land economics alone, of which there are twenty, are listed in the BULLETIN as follows:

JUNIOR YEAR

- B 1—Elements of Land Economics**.....Open to students who have completed Economics **A**
- B 3—Real Estate Merchandizing**.....Open to students who have completed Land Economics **B 1**
- B 4—Urban Land Economics**.....Open to students who have completed Land Economics **B 1**

SENIOR YEAR

- C 1—Real Estate Valuation**.....Open to students who have completed Land Economics **B 1** and **B 4**
- C 2—Taxation of Land**.....Open to students who have completed Land Economics **B 1** and **B 4**
- C 4—Property Management**.....Open to students who have completed Land Economics **B 1** and **B 4**
- C 5—Economic Institutions**.....Open to students who have completed Land Economics **B 1**
- C 6—Real Estate Finance**.....Open to students who have completed Land Economics **B 1** and **B 3**
- C 10—Land Planning**.....Open to students who have completed Land Economics **B 1** and **B 3**

GRADUATE DIVISION

- D 1—Principles of Land Economics**.....Open to graduates only
- D 3—National Land Policies**.....Open to graduates only
- D 6—Land Income**Open to graduates only
- D 7—Economics of Forestry**Open to graduates only
- D 8—Advanced Urban Land Economics**.....Open to graduates only
- D 9—History of Land Systems**.....Open to graduates only
- D 10—Economics of Agriculture**.....Open to graduates only
- D 12—Economics of Mineral and Water Power Resources** Open to graduates only
- E 1—Round Table in Economic Theory**.....Open to graduates only
- E 2—Seminar in Urban Land**.....Open to graduates only
- E 3—Seminar in Land Problems**.....Open to graduates only

It will be noticed that the very first course in the above program of study is numbered B 1 and is called the "Elements of Land Economics." The text-book used in this course is also called the "Elements of Land Economics." It was written jointly by Professors Ely and Morehouse of the Institute staff and published by the MacMillan Company in 1924.

It is important to bear these facts in mind because this first course with its accompanying text-book is one course that all students, not merely in the twenty different classes in Land Economics, but in the

fifteen different classes in Public Utilities in the Northwestern University School of Commerce, must take before they can secure the Bachelor's, the Master's or the Doctor of Philosophy degree, and thus go out into the world as "competent" teachers of the rising generation.

We have then reached the end of the trail. In this primary textbook—the "Elements of Land Economics"—lies the solution of the whole mystery. The reason that teaching has been started by Prof. Ely's "Institute for Research in Land Economics and Public Utilities" at the very beginning, instead of at the end, of its career, is because the purpose of the Institute is not research, as the Northwestern University catalogue says, but propaganda—propaganda for the special benefit of a few as against the welfare of the many—the greatest intellectual swindle that has ever been imposed upon an unsuspecting people!

Let us now examine this textbook and see if our statement is not fully justified.

In the first place the fly-leaf of the "Elements of Land Economics" bears upon it the insignia and stamp of approval of the National Association of Real Estate Boards—the same monopolistic association which is contributing financially towards the support of the Institute, and which at its annual convention in Tulsa on June 10 approved the resolution to increase the dues of its 27,000 members from \$5 to \$10 a year for "education, taxation, research and legislation." This fact alone is weighty evidence that the book is not, as Prof. Ely religiously asserts,¹ and as the NORTHWESTERN UNIVERSITY BULLETIN affirms, a "scientific, impartial and disinterested study" in the problems of land economics.

—Photograph of the fly-leaf of the "Elements of Land Economics" by Ely and Morehouse, (MacMillan) 1924.

In the second place the book, instead of introducing a collection of facts and breathing a spirit of scientific inquiry and research, is loaded with conclusions of the unsoundest character, with views and doctrines

¹"We who belong to the staff of the Institute for Research in Land Economics and Public Utilities have a love for truth as such, and this love of truth we share with all men who are engaged in scientific pursuits. This is our first and all-including objective."—Prof. Richard T. Ely in an address before the annual meeting of the "American Railway Development Association," held in St. Louis in 1923. See also page 15 of this pamphlet.

of the most dangerous kind and with propaganda of the most vicious sort.

Beginning with an attempt to get away from the terminology in economics that makes for clear and logical thinking and to substitute in its place a terminology that is destined to cause confusion of thought² the book goes on to lead the student into a maze of economic fallacies and absurdities that would be positively laughable if it were not so tragic. The student is gravely told, for instance, that invention, discovery, improvement and material progress in general, have the effect of reducing land values instead of raising them;³ that it is perfectly right and proper for the individual to take what society produces⁴

²After economists have struggled for more than a century to secure clearness of thought by avoiding the use of the unscientific term "real estate" which term includes both **land** and **improvements**—i. e., gifts of nature as well as products of human labor—Professors Ely and Morehouse make a vigorous effort in their "Elements of Land Economics" to perpetuate the use of this confusing term.

On pages 13-14, for instance, they say:

"The term **real estate** is used in economics not simply because the lawyers use it, but because for so many purposes the land and improvements form a natural economic and income-producing unit. . . . The term **real estate operator** is the right term because the legal unit is that which is of special significance to the operator. It is interesting to notice, however, that we often speak of farm land dealers. The land in itself stands out more prominently in the case of the farm than in the case of city real estate, and unconsciously this is emphasized when we say real estate operator, referring to the man engaged in urban transactions and farm land dealers when we refer to the man engaged as a broker in buying and selling farm land; but **real estate** is a proper term in both cases."

³"If Ford can supply the world with a cheap fertilizer, we may see a revolution in agricultural production which may upset land values tremendously. A practical cotton picker may do the same for the South. . . . In the case of farm land, it is safe to say that much higher land values would have resulted from the growth of population in the last 100 years if the development of farm machinery and agricultural technique generally had not tended to hold down prices.

* * * * *

"The relation between these factors may be stated as a law of the movement of land values: **Other things remaining equal, in a progressive society with increasing wealth and stationary population, land values will decline.**"—"Elements of Land Economics," (Ely and Morehouse) pp. 261-262.

⁴"Many object because the increase in the value of farm lands goes to the farmers, holding that this value was 'created by society' and ought to go back to society. A full answer to this argument cannot be made here. . . . If there is an 'unearned income,' how could it be distributed any better than by having it go to the owners of land in proportion to the areas cleared and made productive? The distribution of agricultural land among 6,000,000 farmers is evidence of a fair distribution of the so-called 'unearned increment' in land of this character."—"Elements of Land Economics," (Ely and Morehouse) pp. 194-195.

Or as Prof. Ely states it elsewhere:

"Many are disturbed because property in land yields income. Our attention is frequently called to a corner lot in a city, from which the owner derives, let us say, \$30,000 a year. Taxes and all improvements are paid by the owner of the

and for society to take what the individual produces;⁵ that farm tenancy is a "rung in the agricultural ladder"—a "step towards ownership"—and therefore a large percentage of tenant farmers is not to be deplored but to be desired;⁶ that the partial exemption of buildings from taxation, as in New York, Pittsburgh and other cities, has re-

building erected on the lot. The owner of the lot may live in idleness, and it is said that he makes no return to society for what he receives.

"Is there anything peculiar in this, or anything which should lead to a special policy of taxation? Unless we are prepared to go over to Socialism and abandon private ownership of productive property, we must expect to find men receiving an income from property, and using this income sometimes wisely and sometimes ill."—"Outlines of Land Economics," Vol. III, Edwards Brothers, Ann Arbor, Mich., 1922, pp. 102-103.

"The field of indirect taxation, or taxes upon expenditures for consumption, has been inadequately developed.... This field of indirect taxation is a rich source of revenue, and this revenue can be obtained without harmful consequences, and even with positive benefit."—"Elements of Land Economics," (Ely and Morehouse) pp. 331-332.

Or as Prof. Ely expresses it elsewhere:

"The 'masses' have a surplus that can be taxed. This suggestion may not be a popular one, yet it is true that there is a widespread ability on the part of the great mass of people to contribute to public revenue. On every hand can be seen an enormous surplus of income over needs of subsistence. The expenditures of the public for prize fights, 'movies,' ice cream, candy, tobacco, chewing gum, perfumery and beverages of all kinds run into the hundreds of millions, yes, even billions of dollars every year. . . . Taxes on consumption and various indirect forms of taxation must be employed to a larger extent."—"Outlines of Land Economics," Vol. III, p. 93.

"Tenancy is, in fact, as these figures are interpreted, a 'rung on the agricultural ladder.' And it is an increasingly used 'rung' in regions where high land values have made necessary capital investments of \$15,000 or \$20,000 to start a farm. For a large number of aspiring young farmers a tenant period is simply a stage in the accumulation of experience and funds, by means of which the full stature of an owner-operator is attained. Viewed in this light, farm tenancy is not altogether undesirable. . . . In short, the defects of farm tenancy are more often the defects of its application than defects inherent in the system. A properly controlled system of tenancy has a place in a desirable system of farm land tenure, chiefly, let it be noted, as a stepping-stone to ownership."—"Elements of Land Economics," (Ely and Morehouse) pp. 198-199.

Or as Prof. Ely states it elsewhere:

"It has often been suggested that tenant farming ought to be eliminated entirely, that the ideal system of tenure is owner operation with not a single farmer tilling a rented farm.

* * * * *

"In an ideal system of land ownership there will surely be a limited place for ownership of land by those who love the land and yet are not able to live on it. . . . There are also women, widows and others, who have inherited land and who may want to hold the land temporarily or even permanently but are not in a position to operate it as owners. We must have a place for them in a system of land ownership. . . . In an ideal system, also, we shall have companies analogous to the City and Suburban Homes Company of New York, already mentioned, which will

sulted in a lessening of home building operations instead of an increase in them,⁷ etc., etc.

All this fallaciousness and humbuggery, of course, is simply a part of a preconceived plan on the part of the authors to do two things:

First, to turn, as the National Association of Real Estate Boards and other financial supporters of the Institute desire, the mind of the student and future teacher against any further taxation of land and monopoly values, and particularly against the singletax theory of Henry George; and

Second, to build up sentiment in favor of placing more taxes upon wages, sales of goods, incomes, occupations and articles for consumption.

As for the singletax doctrine of Henry George—a doctrine which has now taken deep and firm root throughout the world, and the advocates of which are, as these words are being written, holding their Third International Convention in Denmark with more than 400 delegates from twenty-six nations present—this great and sound doctrine is treated in the book (pp. 323-324) in the following fashion:

“The single tax would take all of the income from land, thus affecting a complete confiscation of land values. The idea was popularized in the United States by Henry George in 1879, although in recent years its adherents have apparently lessened in numbers. According to the single tax theory all land is a gift of nature to society; consequently all the returns from utilizing land belong to society, not to any individual owner. Part of the theory is that the confiscation of all land values will bring such revenue to the government that all other taxes may be discarded; hence the name, single tax.

purchase and sell land in order to help men acquire landownership.

* * * * *

“In an ideal system of landownership, then, we will have a place for farm tenancy. . . . In the ideal system there will be (1) a group of permanent tenants; (2) a constantly shifting group consisting of those who are on the road to ownership. As some become owners others are starting at the foot of the ladder. Just what per cent of the total number of farmers will be tenants is difficult to say. It will depend upon the kind of people and on various economic conditions. However, considering the life cycle and the rate of retirement of farmers it may be suggested that the normal percentage of tenancy would be about thirty.”—“Outlines of Land Economics,” Vol. III, pp. 51, 57-59.

“Notwithstanding the fact that the building statistics of New York, Pittsburgh and other cities throughout the world show that the exemption of dwellings from taxation in those cities has enormously increased the construction of homes, Professors Ely and Morehouse (p. 286) go on to say:

“A deliberate use of taxation for social control of property utilization to balance production is found in the New York law enabling municipalities to exempt new buildings until 1932. The ultimate purpose of this law was to set up inducements to build more homes for the relief of the housing shortage. In application, however, the law has not accomplished all the desired results, in that the exemption of houses has only increased the tax burden on the land. Not only in this instance, but also in the cases of other cities where taxes on the land are proportionately higher than on other forms of property, the inducement to acquire land for residence utilization has been lessened.”

"The single tax has serious defects which it will be well to consider briefly. In the first place, it is clear that the expenses of government have increased so rapidly in recent years that the single tax will not yield enough revenue to meet those expenses. It is estimated that barely 60 per cent of the normal governmental expenses could be paid by taxing all the net income from land. In the second place, if the State takes all net income by taxation, it should logically reimburse an individual for a net loss. In the third place, the effect of the single tax would ultimately be a system of State tenancy. If all the net income from land were taken in taxes, the desire for owning land would disappear, so that in effect the State would own the land while private individuals utilizing land would be in the position of tenants of the State, paying to the government the net land income as a rent."

A remarkable set of words, indeed! Probably never before in the whole history of economic literature have so many errors, misleading ideas and falsehoods been compressed into so small a space.⁸

On the other hand, just as the effort is skillfully made to turn the student's mind away from any further taxation of land and monopoly values, so is it also cunningly made in the "Elements of Land Economics" to turn his mind in the direction of placing heavier burdens upon labor and the fruits of labor. Throughout the full length of the book constant references are made by the authors to the need of "broadening the base of taxation" and "uncovering new sources of revenue;"⁹ to the wisdom of meeting the cost of public improvements, such as roads, by higher gasoline and motor license taxes, instead of by special assessment of the property benefited;¹⁰ to the soundness of increasing the income and occupation taxes; to the desirability of abolishing the tax-exempt bonds of states, cities and federal land banks,¹¹

⁸For a complete answer to the statements contained in this quotation see Emil O. Jorgensen's "False Education in our Colleges and Universities," pp. 87-90, 114-118, 118-123, 159-167, 167-183.

⁹"In order to increase governmental revenues without increasing present taxes to a harmful extent, we must broaden the base of taxation. New sources of taxation must be uncovered."—"Elements of Land Economics," p. 331.

¹⁰"To provide for the construction of better roads, there is a better method than the special assessment. A gasoline tax, plus increased motor license taxes, would place the burden of improving roads on the users of those roads."—"Elements of Land Economics," (Ely and Morehouse) p. 321.

¹¹"Many investors who formerly placed their money with the private farm loan agencies now prefer tax-exempt bonds—not only the Federal Farm Loan bonds, but the local, city, and State tax-exempt bonds as well. In this way money is diverted from agriculture, and the only way it can be induced to return is by raising the mortgage rate of interest, which means a higher rate to farmers. . . . Laying aside all considerations but those of the general welfare, tax exemptions of this character are generally contrary to sound public policy. Certainly no new exemptions should be considered without conclusive proof of their desirability, and many existing exemptions should be eliminated as soon as possible. The credit facilities of the farmer as well as those of the utilizer of urban land would be considerably improved if exemptions of certain securities from taxation were discarded."—"Elements of Land Economics," (Ely and Morehouse) pp. 228-229.

including even the present \$300 exemption of income from building and loan stock;¹² and especially to the necessity of developing a larger amount of indirect taxes upon sales and consumption.¹³ The book closes with the following advice:

"The expenditures of government, particularly for social welfare, have increased and are still increasing. To meet these expenditures increased taxes are needed, and a disproportionate share of the added burden of taxation has fallen on land. . . . A policy of land taxation should be carefully worked out, keeping in view the effect of taxation on the utilization of land, and it should lead to modifications in these directions: (1) classification of property under the property tax; (2) reduction of the present taxes on property; (3) development of income and occupation taxes; and (4) enlargement of the range of taxation to include carefully selected indirect taxes on expenditures for consumption."

The demonstration is complete. The facts above given distinctly reveal, not merely the duplicity of Northwestern University but the intellectual dishonesty of its leading men. They conclusively prove that Prof. Ely's "Institute for Research in Land Economics and Public Utilities" which will be quartered permanently in Wieboldt Hall, has for its object, not the **finding** of economic truth but the **hiding** of it, not the conducting of scientific and disinterested **research**, but the carrying on of **propaganda**—propaganda to advance the special interests of a few at the expense of the many. Thus in piously announcing to the world that Wieboldt Hall is to be used as "a center of sound learning," as "a home of truth and light," and "for noble service to mankind," Messrs. Campbell, Hawley, Heilman and Scott become by that very act as great distorters of the truth as Prof. Ely himself!

But it may now be said: "When Wieboldt Hall was dedicated the illustrious speakers at the cornerstone were not aware of the facts herein set forth; they did not suspect that the object of Prof. Ely's Institute was to carry on any propaganda for special privilege under the cloak of 'research;' and, therefore, in telling the public that the Hall will be used as 'a home of truth and light' and for 'noble service to mankind' they were guilty of no moral turpitude or intentional misrepresentation."

¹²"It has been proposed to exempt from Federal taxation to a certain extent the income from loans made upon the security of real estate. In the long run such a proposal would only aggravate the conditions of real estate credit and real estate taxation. Exemptions reduce the amount of taxable property (and real estate is now suffering from this) and create difficulties of assessment. Without going into a detailed analysis, the disadvantages of tax exemption outweigh the possible gain of a temporary increase in the amount of capital for real estate operations. . . . Many [building and loan] associations pay 6 per cent on savings of investors, and in the case of associations corresponding to the true mutual type, such income up to \$300 is free from the Federal income tax. According to the present law, the exemption does not last beyond 1927; but it may be safely said that if any income tax-exemption is warranted, it is this very modest one, limited to an income of \$300 and encouraging investments for the construction of homes. This should be the last exemption to go."—"Elements of Land Economics," (Ely and Morehouse) pp. 228, 230-231.

¹³See footnote 5 in this pamphlet.

Would, indeed, that this were true! But an abundance of evidence goes to show that it is not.

In the first place it can hardly be supposed that Mr. Campbell, the president of the board of trustees, Dr. Scott, the president of the University, and Dr. Heilman, the Dean of the School of Commerce, are so ignorant of what is going on in the institution over which they exercise control.

In the second place these gentlemen could not have been innocent in the matter because Dean Heilman himself is, and was at the time of the dedication of Wieboldt Hall, a member of Prof. Ely's "Advisory Research Council" and moreover, had much to do with laying the foundation for the "Elements of Land Economics" we have just discussed. In the preface of this text-book the authors—Professors Ely and Morehouse—state:

"The writing of this book has been facilitated by the advice and encouragement received at two conferences on real estate education in Madison, Wisconsin, attended by representatives of the National Association of Real Estate Boards, the United Y. M. C. A. Schools, the Institute, and a number of colleges and universities. . . . In these conferences many useful ideas were obtained from the discussions of Mr. T. H. Nelson of the Educational Committee of the Y. M. C. A.; Mr. Herbert U. Nelson, executive secretary of the National Association of Real Estate Boards; Dean Ralph E. Heilman of the Northwestern University School of Commerce; Professor Edmund E. Day of the University of Michigan; Mr. E. M. Fisher of the National Association of Real Estate Boards, and Dean H. G. Atkinson of the Chicago Y. M. C. A. School of Commerce. [Mr. Atkinson is now employed as the Director of Divisional Activities for the National Association of Real Estate Boards.—E. O. J.] On other occasions also Mr. H. U. Nelson and Mr. Fisher have made helpful suggestions to the authors."

In the third place the learned heads of Northwestern University could not have been ignorant of the fact that Prof. Ely's object was to carry on propaganda for special privilege under false pretenses for the simple reason that they had long been advised of that fact. For two full years before the cornerstone of Wieboldt Hall was laid the Manufacturers and Merchants Federal Tax League of America had been publishing monthly and distributing widely information showing that Prof. Ely's "disinterested research" Institute was a humbug and a fraud. What is more, in the early days of June, 1925—just two months before the Board of Regents of Wisconsin University passed the resolution that bars the Institute from that seat of learning—a special article was written in the League's paper, "The Bulletin," warning the authorities of Northwestern regarding Prof. Ely and his spurious organization. This warning, which was sent "marked" under two cent postage to all leading faculty members, administrative officers and alumni of Northwestern University,—including Messrs. Campbell, Hawley, Heilman and Scott—appears in the May, 1925, issue of the League's "Bulletin" as follows:

BE CAREFUL, NORTHWESTERN UNIVERSITY, BE CAREFUL!

If newspaper reports are correct Northwestern University may soon have a "white elephant" on its hands.

Ever since this paper began a year ago to expose the hypocrisy and intellectual

obliquity of Prof. Richard T. Ely of Wisconsin University and his so-called "Institute for Research in Land Economics and Public Utilities," the breach in the ranks of the University authorities in Madison has been steadily growing wider until now, rumor has it, the axe is threatening to fall, and the worthy professor is looking around for a safe place to escape. That he has located such a place seems evident from the following news item taken from the Chicago Daily Tribune of June 2:

"Madison, Wis., June 1. (Special.) Prof. Richard T. Ely, veteran economist of the University of Wisconsin faculty, may move to Northwestern University his famous institute for research in land economics and public utilities, according to reports on the campus here.

"Prof. Ely today admitted that the move had been contemplated and said the final decision rests with the board of trustees of the Institute, which is independently administered. He said Northwestern University would make the announcement of the transfer, if a transfer is decided upon."

This action, we may say, is a good deal sooner than we expected as much of our strongest evidence against the professor has not yet been published. But what most astonishes us, if the above report is correct, is that great old Northwestern University should be willing to take what Wisconsin University cannot morally afford to keep! We cannot believe that Northwestern really knows what it is doing!

Finally in December of 1925—almost six months before the cornerstone ceremonies at Wieboldt Hall took place—the author's book "False Education in our Colleges and Universities" was published and due announcement of the fact given to the world.¹⁴ This book of more than 200 pages contains a complete expose of Prof. Richard T. Ely and his fraudulent "Institute for Research in Land Economics and Public Utilities." It shows where the Institute was organized; when and why it was formed; who is on its Board of Trustees; how it is being financed, in addition to its mode of operation; how Prof. Ely is bringing together a group of land monopolists, privilege seekers and university professors whose power to guide public opinion will be well-nigh irresistible; how he proposes, not merely to edit a large journal and to have fifty books on land economics and related subjects written for the "education" of the rising generation, but also how he proposes to train on a wholesale scale young men and women for teaching positions in the schools, colleges and universities of the nation—in short, the most gigantic conspiracy to poison the fountains of knowledge and to lead the people away from their own best interests ever conceived in the human mind!

For these and other reasons it cannot be said that Messrs. Campbell, Hawley, Heilman and Scott, as they spoke at the cornerstone of Wieboldt Hall, were ignorant of what they were saying. Their eloquent statements that the Hall is to be used as "a center of sound learning," as "a home of light and truth" and for "noble service to mankind" were not errors; they were something vastly worse!

Such, then, is the state of degradation into which Northwestern University in the seventy-five years of its life has fallen. Beginning as

¹⁴See back pages of this pamphlet.

POISONING THE FOUNTAINS OF KNOWLEDGE

Showing how Prof. Ely, supported by private funds and backed by special interests, is building up his machine for the miseducation of the public and the connection he has made with nine of America's largest universities.

Note the stress the Professor lays on the Institute's impartial (?) methods of investigation: its hunt (?) for all the facts: its disinterested (?) research, etc.

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VOLUME 3, No. 3

COMMERCE BUILDING, EVANSTON, ILLINOIS

SEPTEMBER, 1925

Five Years—Past and Future

This is the first number of the *Journal* to be issued from the new home of Northwestern University. It coincides with the fifth anniversary of the Institute as an institution. It may not be a very important brief or prospectus.

The Institute of Land Economics has been established by action in the economics; it is in almost every countries. Arrangements have been started in its history method. A series of economics and its land and some volumes have ample, eight volumes in are already available. The launching a growing movement that may greatly alter the estate business upon which the people depends. With the cordials of the A. W Shaw Company the quarterly Journal of Land and Economics which, judging from the comments received, has won an establishment in the literature of this field of economics compliments, and others which need not be to regular readers of the Institute News, all of the process of pioneering, of exploring the frontiers of this new field of economic understanding

In the next five years the Institute looks forward to a period of accelerated growth and greater research accomplishments. The change in affiliation from the University of Wisconsin to Northwestern University is merely a change in location which

brings the staff of the Institute in closer contact with the problems in which it is interested. It means the addition of new public utility and urban land laboratories, and opens up broader opportunities of cooperating in research with the National Association of Real Estate Boards, National Association of Building Owners & Managers, with the National Electric Light Association and with other public utility offices and organizations. It means also enlarged opportunities of cooperating, through the new Administrative Research Council, with other individuals and groups interested in independent research of the Institute. In accordance with the principle of the University of Wisconsin, the staff of the Institute is offering courses of study in the research to Northwestern University students, so that the criticism of advanced students will be clearer, more effective, and more valuable of the results of research.

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that its research will be a
ness to many communities.

Richard T Ely

- From the "Institute News" of September 1925 and a booklet written and distributed by Prof. Richard T. Ely

a religious institution, poor in purse but rich in high ideals and lofty purposes the university has degenerated, as its wealth has increased and its size has grown, into a citadel of organized greed, an apologist for social injustice and a fawning defender of those who seek to live on the sweat of other men's faces!

What is already true of Northwestern University is fast becoming true of most of the other colleges and universities in the nation. Under the influence of railroad directors, public utility magnates, bankers, mining kings, land barons and other representatives of "big business" and unearned wealth who are finding place upon the governing boards of such institutions, as well as the increasing riches with which many of the institutions are being endowed—over a billion dollars have been showered upon them by private individuals during the past twenty years—under these influences the colleges and universities of America are being steadily turned from free and democratic seats of learning where truth is sought to mere mouthpieces for special privilege and monopoly where truth is suppressed!

When we speak of "truth" we refer, of course, only to economic truth. Let this fact be clearly understood. In no department of knowledge, outside of the department of political economy, is there any serious interference, in our institutions of higher learning, with the teaching of truth. The reason is that no subject, except economics, directly touches the purse of those, or the purse of the friends and associates of those, who are in control. Hence the essential truths of all subjects such as mathematics, chemistry, physics, botany, geology, astronomy, language, history, music, mechanics, law and the like, may be fully discussed and freely taught in practically every college and university and they **are** so discussed and taught.

But not so the truths of political economy. For political economy—or economics as it is generally called—deals with the production and distribution of wealth. Unlike other sciences it touches the pocket-book nerve—touches it in the raw. Its province is to reveal, not merely the underlying cause of the unequal opportunities that exist among men, but to explain why one part of the population "lives without working" while the remainder of the population "works without living." Hence the findings of political economy must necessarily be, on the one hand, unpalatable to the wealthier class—the class that dominates our colleges and universities—and on the other hand, pregnant with danger to the positions and salaries of those who are entrusted with the teaching of the subject. The inevitable result is, of course, that in our institutions of learning the science of political economy is not fully and freely discussed. Its fundamental principles are side-stepped, its language garbled, its harmonies ignored, and its central truths disregarded and evaded.

Perhaps no better illustration of this fact can be found anywhere than in the singletax philosophy of Henry George. The economic truths embodied in this philosophy are, many scholars believe, the most important truths to the peace, prosperity and happiness of humanity that have been presented to the world since the dawn of the Christian era.

They are truths that strike at the very root of the great social and industrial problems of our time. Moreover, they are truths the soundness, the justice and the practical application of which may now be seen in the distinct satisfaction the singletax proposal has given throughout the world wherever it has been partly tried out, and to the wholesome effects it has had upon industry, agriculture, home-ownership, unemployment and economic conditions in general.¹⁵

Yet so bitter is the singletax to the wealthy and privileged classes as a whole, including those who sit on the governing boards of our colleges and universities, that only in rare instances have teachers and text-book writers on economics had the courage boldly and fearlessly to stand out for it.

In a news item published in the "Christian Science Monitor" of April 27, 1925, for instance, we read:

"Dr. F. W. Roman of New York University who presided over the dinner [given by the Manhattan Single Tax Club on April 26] pleaded for greater tolerance for the economists who ventured to express their opinions in favor of singletax. He could mention, he said, half a dozen well-known economists who had been 'ousted from their positions as many as six times because the trustees of their institutions disapproved of their views.' "

But the teaching situation in colleges and universities is emphatically worse than this. Not merely have few professors and text-book writers on economics had the courage to espouse openly the great remedy that Henry George gave to the world, but most of them, driven to say something, have sought to soothe the powers-that-be by arguing against it with as much plausibility as they could. Dr. Harry Gunnison Brown, himself a professor of economics in the University of Missouri and a scholar very familiar with the writings of his brethren, says in his recent book "The Taxation of Unearned Incomes":¹⁶

"The writer feels that they [the Henry George conclusions] have never received anything like fair consideration in most text books on economics or anything like a fair presentation to the students of economics in most universities and colleges. Indeed, a majority of specialists of reputation in the field of public finance have opposed these conclusions with arguments which are logically fallacious, historically inaccurate, mathematically inconsistent, and sometimes grotesque."

Such is the appalling state to which the teaching of economic science in our institutions of learning has been reduced!

But the teaching of economic error—ah, that is something very different! That is something that requires no particular courage on the part of the teacher and involves no suffering as a result of criticism, reprimand, failure of promotion, reduction of salary or loss of position. On the contrary the teaching of economic error is something that is accompanied by all that goes to make the teacher's life a "success"—security of job, advancement in rank, higher pay, academic recognition, honor and even glory.

¹⁵For a survey of the singletax movement throughout the world see Jorgensen's "False Education in our Colleges and Universities," pp. 159-183.

¹⁶Published by Lucas Brothers, Columbia, Mo., 1925.

For economic error does not, like economic truth, touch the heart of the monopoly structure. It throws no light on the underlying causes of unequal opportunity among men; it does not explain why involuntary poverty should persist amid advancing wealth; and it brings the people no nearer to a final solution of the great social and industrial problems that confront them. Instead of bringing the people nearer to a final solution of these problems, the tendency of economic error is to lead them farther away.

Hence the teaching of economic fallacy in our colleges and universities does not, like the teaching of economic truth, excite the wrath of the powers-that-be nor bring down upon the instructional staff the frowns of the directors; on the contrary, such a teaching has, with scarcely an exception, the warm blessing of the "powers" and the hearty approval of the directors.

How tragically and fearfully true all this is may be seen, for example, in the tax program which the National Association of Real Estate Boards and other privileged interests are now endeavoring, in co-operation with the "Institute for Research in Land Economics and Public Utilities" in Northwestern University, to impose upon the American people—a tax program calling for lower levies upon the unearned values of lands, natural resources and monopoly rights, and higher levies upon business earnings, occupations, sales, state and municipal bonds, articles for consumption and the like. That this tax program is utterly unsound and unjust, unable to stand any test of good economics, good government or good morals, must be evident to anyone who will stop and think. That it is, moreover, a tax program designed to enlarge the field of land speculation, to strengthen the grip of monopoly and to enable the non-producers of wealth to enrich themselves still more at the expense of the producers must be, upon analysis, equally clear.

Yet this tax program, unsound and antisocial though it is, is meeting no resistance in its triumphant entry into our schools, colleges and universities. Within the last four years the National Association of Real Estate Boards, aided by the "Institute for Research in Land Economics and Public Utilities" in Northwestern University, has succeeded in getting the program injected into the curricula of more than 210 institutions of learning—institutions where its false principles are now being instilled into the minds of the youth with a deftness and skill that is equalled only by the deftness and skill with which the truths embodied in the singletax philosophy of Henry George are distorted and suppressed.

And the work of miseducation has only begun! The National Association of Real Estate Boards in its "News Letter" of August 14, 1926, says:

"An advanced class in land economics, to be given by Dr. Benjamin H. Hibbard, head of the agricultural economics department of the University of Wisconsin College of Agriculture, is already planned for Milwaukee.

Marquette University, Milwaukee, Wisconsin, is planning a two-year night course in real estate, and the establishment of a major in real estate in its day course.

A real estate educational course in every Ohio real estate board is the goal which has been set for that state by the Ohio Association of Real Estate Boards.

Plans for the establishment of an advanced course in real estate education to be offered in cities throughout California by the University of Southern California in co-operation with the California Real Estate Association, will be carried out during the coming fall.

Fifty-six real estate boards of California now have courses in real estate sponsored by the California Association.

Approximately 3,000 students have taken the course which has been mapped out by the State Educational Committee with the co-operation of the University of Southern California, since the inauguration of this program three years ago.

The Kentucky Real Estate Association at its recent convention passed a resolution to the effect that the colleges and universities of the state be encouraged to add to their curricula real estate courses and that the president of the association be directed to appoint a committee to take up this question."

What more need be said? The above facts conclusively show that, notwithstanding their growth in size and wealth, our colleges and universities are decaying—decaying both intellectually and morally. On the one hand the inculcation of the truths that will uproot monopoly, destroy special privilege and establish economic justice upon earth, is becoming for the instructors fuller of difficulties, hardships and penalties, while on the other hand the inculcation of the errors that aid monopoly, advance special privilege and deepen economic injustice among men, is becoming for the instructors fuller of the things—steady employment, promotion, higher salary, prestige, etc.—that are necessary to their enjoyment of life. Thus while the inducements to teach economic truth in our colleges and universities are growing smaller and smaller the inducements to teach economic error are growing larger and larger.

These are unpleasant facts, no doubt. But they are facts that must be sternly faced. The existing situation in the educational field cannot be allowed to continue. It is not merely unjust to the students whose faith in the wisdom and integrity of their Alma Mater is deep and natural, but it is fraught with the gravest danger to society as a whole.

No one surely will dispute this. The United States, like every other nation, is now confronted with many problems—problems that are steadily becoming more and more critical. These problems, such as the rising tide of crime, the persistence of want in the midst of plenty, the spread of vast estates, the growth of landlordism and farm tenancy, the tightening grip of monopoly and privilege in the field of production, the increasing corruption of government—these and other great social, industrial and political problems which have their roots in the prevailing economic system, can, unless civilization is again to revert to tyranny and despotism, be trifled with no longer. They must be definitely solved by the generation now rising.

But what chance has the rising generation to solve these problems rightly when the schools, in which our young people are being educated, are suppressing and penalizing the teaching of economic truth

and promoting and rewarding the teaching of economic error? Plainly, it has little or no chance at all. For just as a public thinks and believes so does it also act. If the public's reasoning be accurate and straight, its actions will necessarily be accurate and straight; if its reasoning be illogical and crooked, its actions will likewise be illogical and crooked. The costly blunders of the centuries all testify to this fact and the ruins of dead civilizations prove it.

Consider this. The number of students who now graduate each year from the colleges and universities in the United States total more than 75,000. These students are the cream of the nation. They go out from their graduating classes into every department of activity—into agriculture, into commerce, into manufacturing, into the ministry, the law, journalism, politics. Once out into the world they become a power in their various communities—the spokesmen of groups, the leaders of thought and action.

Now were these college men and women instructed, while their minds were young and plastic, in the fundamental truths of economic science instead of being filled with its fallacies, they would be quite able after graduation to cope with the economic problems confronting society and would soon make short work of them. But stuffed, as they are in their classrooms, with wrong instead of right economic principles, they but enter the world of affairs to add to its existing confusion. Not merely this but they create by very reason of having "graduated from college" a force that, from the standpoint of sound economic reform, is well-nigh irresistible, a force against which the combined strength of leagues and associations and political parties can hurl itself in vain, a force that, increasing in volume as it goes, is practically as difficult and as hopeless to overcome as the attempt to stem the waters of Niagara with a paper dam!

Here is the conclusion of the whole matter: If national disaster is to be averted and the peace and prosperity of civilization to be preserved, our educational institutions must be purged of the corrupting influences that are converting them from agencies for the general good into agencies for the special benefit of a few. Not merely must the wholesale manufacturing of teachers, as in Northwestern University, for purposes of propaganda, be ended; not merely must the false economic doctrines, which, under the cloak of "research" are being injected by the National Association of Real Estate Boards and other like organizations into the classrooms of the country, be prevented from spreading; but the strangle hold that special privilege and "vested interests" have upon the schools, colleges and universities of the nation, must be definitely broken. Until this strangle hold is broken democracy is not safe and the foundation upon which our civilization rests is sinking sand!

What They Say About Jorgensen's Book, "False Education in our Colleges and Universities"—

"A wonderful piece of work."—W. S. U'Ren, Lawyer and Publicist, Portland, Ore.

"A very real contribution to the understanding of Truth."—Anna George DeMille, Hollywood, Calif.

"A great work, a work of art, a trenchant exposure of the Professor."—John Paul, Editor of "Land and Liberty," London, England.

"You have done a fine job of disemboweling an intellectual crook and you have selected for the operation one of the biggest crooks in the country."—Upton Sinclair, Pasadena, Calif.

"Your book is a most useful contribution to the science of economics which is in danger of being turned into an art of business gymnastics."—Louis F. Post, former Assistant Secretary of Labor, Washington, D. C.

"After your terrific onslaught of Prof. Ely, which cannot be refuted, his usefulness as an educator in the universities of this country should become very limited."—Edward Polak, Register, Bronx County, New York City.

"Every American should read this book entitled 'False Education in our Colleges and Universities.' If the charges made in it were not true all kinds of libel suits would have been entered against the author."—"The Character Builder," Los Angeles, Feb., 1926.

"I think your book a masterpiece and that it should be placed without delay in the hands of every student and university professor in the United States and Canada."—Lieutenant J. M. Holmes, U. S. N., Navy Yard, Portsmouth, N. H.

"Aside from its polemic value Mr. Jorgensen's book contains a mass of valuable information on economic subjects, and is particularly luminous in its exposition of the theory of the singletax."—The Baptist, July 31, 1926.

"'False Education in our Colleges and Universities' effectually unmasks, I believe, the most amazing conspiracy to mislead the economic thought of America ever attempted."—Capt. N. A. Vyne, Camp Verde, Arizona.

"Jorgensen's book will have the effect (in time) of making Richard T. Ely a 'hissing and a by-word' comparable in the line of education to the treachery of Benedict Arnold in the military sphere."—"The Forum," Stockton, Calif., Feb. 4, 1926.

"In spite of your letter saying you billed me by mistake for one copy of your excellent book 'False Education in our Colleges and Universities,' I insist upon paying for the book and you will find my check for \$1.00 enclosed. Never before have I had more real pleasure for a dollar."—L. S. Herron, Editor, "Nebraska Union Farmer," Omaha, Nebr.

"Mr. Jorgensen has very clearly shown that the so-called Institute existing for the purpose of an exhaustive and disinterested investigation into the problems connected with land and taxation, is really nothing of the kind."—"The Square Deal," Toronto, Canada, March, 1926.

"You have earned and will receive the unstinted thanks of singletaxers everywhere for this service you have rendered in your expose of one of the most brazen instances of mental prostitution it has ever been my misfortune to run across."—Fred S. Wallace, Editor "Coshocton Tribune," Coshocton, Ohio.

"Of course you can't argue with Ely. He understands the land question just as well as you do. . . . Your task of combatting this syndicate of sin is a most important one, the most important perhaps which has ever fallen to the lot of a tax reformer."—Herbert Quick, writer and economist, in a letter to the author just before he died.

"'False Education in our Colleges and Universities' by Emil O. Jorgensen, is a brilliant expose of Prof. Richard T. Ely and his Institute for Research in Land Economics. We congratulate the author on a work that serves a greater purpose than a well needed castigation of an economic fraud and humbug. The book should be in every college and in the hands of every student."—"Land and Freedom," New York, N. Y., Jan.-Feb., 1926.

"To show that the Institute is not an unbiased investigator in economics and that 'research' has one meaning, but several uses, is the object of Mr. Jorgensen's book. It is not intended to appeal only to those who agree with its economic beliefs, but rather to those who believe in a fair field for all ideas."—"The Bulletin" of the American Federation of Teachers, Chicago, March, 1926.

"The real object of Prof. Ely's organization as founded is for issuance of propaganda to lead the public mind away from the actual causes depressive of the agricultural industry. . . . If this prostitution of our educational institutions continues unopposed there is nothing save a dark future ahead for the American farmer."—"The Farm," Jacksonville, Ill., April 1, 1926.

"You surely have hit Prof. Ely between wind and water. You are right in calling his scheme the most gigantic conspiracy to mislead the thought of a nation the world has ever seen I believe, and I trust you will succeed in having him and the rest of the fakers show their true colors."—Capt. Armistead Rust, U. S. N. [Ret.], U. S. S. Nantucket, St. George's, Bermuda.

"Mr. Jorgensen has rendered a splendid service to the Single Tax cause throughout the world by the publication of this work, which so effectively answers the malicious and lying statements usually advanced against the Single Tax doctrine. Prof. Ely has been completely unmasked and proved a fraud and a humbug so far as economic principles are concerned. We heartily congratulate the author on this splendid production."—"The People's Advocate," Adelaide, South Australia, April 21, 1926.

"Besides exposing thirty-two fundamental fallacies in the three basic books written by Professor Ely and distributed by the Institute, a refutation so convincing as to destroy any confidence whatever in the soundness of Professor Ely as a scientist, Mr. Jorgensen does more. . . . His book certainly contains a good deal of definite evidence, the truth of which cannot be denied and the publication of which will damage Professor Ely's reputation both as a scholar and as a man."—"The Libertarian," Greenville, S. C., January, 1926.

"You use strong language in your criticism of Prof. Ely and the Institute but I am bound to confess that my own conclusions derived from reading the literature of the Institute which is sent to me has been a blank question of the bona fideness of the whole affair and I find great difficulty in avoiding your contention that the Institute is one of the greatest educational frauds of history."—Hon. George Fowlds, Ex-Minister of Education and President of the Auckland University College, New Zealand.

"One of the richest outgrowths of this clash or conflict between the ideal and the actual, between the forces of progress and reaction represented by Mr. Jorgensen and Professor Ely, lies in the book before us. Though ostensibly an expose of Professor Ely's 'Institute for Research in Land Economics and Public Utilities,' and admirably as it accomplishes its purpose of laying bare the machinations that are so skilfully covered by a profession of impartiality, it is incidentally one of the best expositions of the philosophy of Henry George it has been our fortune to read. Its influence in spreading a knowledge of the true science of society will probably be very great, and thus even Professor Ely, as the provocative cause of its inception, may become an unconscious instrument in the hands of Destiny for the furtherance of Truth and Justice. . . .

"At the beginning of his examination of this elaborate programme, Mr. Jorgensen gives Professor Ely the option of being impaled on one or other of two horns of a dilemma—that of being self-convicted of incompetence as an economist or dishonesty as a teacher. Copious quotations from the books intended for the guidance of students give definitions of terms which entirely lack the precision or definiteness that is well known to be necessary to the stability of any science, and which are just sufficiently vague to provide the mental fog in which a student might be expected to lose his way and miss the truth. The charge of incompetence might therefore stand against Professor Ely were it not that he must be acquitted on other grounds—his wide knowledge, his forty years' experience as an economist, and his former manifestations of an understanding of root principles in political economy. It is then admitted that Professor Ely is competent and knows his subject. The only alternative remains: he is charged with intellectual dishonesty as a teacher. It is indeed a serious indictment that Mr. Jorgensen prefers against so distinguished a man, and might well give us pause; but the proofs being mainly supplied by extracts from the 'key' books, Mr. Jorgensen's audacity seems amply justified. . . .

"The Fallacies of Professor Ely,' 32 in number, are dealt with in Chapter V, which occupies the greater part of the book. In the refutation of these Mr. Jorgensen displays his complete mastery of 'The New Political Economy,' and provides just the kind of education that should be offered to students who want to find the truth that will solve the social problem. . . .

"In the final chapter Mr. Jorgensen sums up his conclusions, and with these every disciple of Henry George will agree. The charge has been driven home by proof supplied by Professor Ely himself, and the bold statement is justified that 'never has so cunning or so stupendous a scheme to poison the fountains of knowledge and to lead the people away from their own best interests, been conceived in the human mind!'"—Alex. Mackendrick in "Land and Liberty," London, England, May, 1926.

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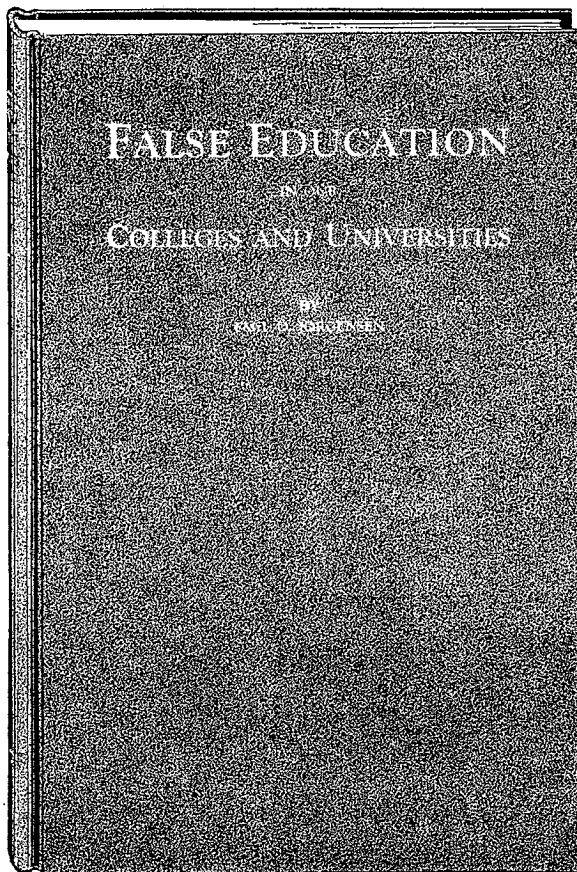
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