

sought of some more fortunate brother, we shall look, and look in vain, for any improvement in government.

*For no government can rise superior to conditions that govern its citizenry.* Of these conditions government is a more or less adequate reflection. Among a population conscious of insecurity in the little wealth it may have garnered, or doubtful regarding continuous employment, men will flock to seek government positions, or look to government for aid or greater security. And they will not be particular about the means they use, or overcritical of the methods of others who seek like advantages. Under this impulse you can no more keep government, whatever its form, incorrupt or incorruptible than you can change the processes of the suns.

Remove the economic cause of civic corruption and almost any machinery of administration will work. Then the city manager plan would work. There would be no apprehension that while the citizens slept the city manager would steal across the border with cars and trains bearing the City Hall! Today we cannot always rest under this comfortable assurance.

City management is but one of the many suggested changes in the machinery of municipal government. We say that it will fail as other devices have failed. So in view of the almost infinite inventive faculty of our friends, we entitle this article "City Management—And After?" For of course there are other suggestions in their bag of tricks still to be exhibited to wondering audiences when this one has failed.

## A Victory for F. C. Leubuscher

IT is good news for the Robert Schalkenbach Foundation, and incidentally, of course, for the entire Single Tax movement, as it establishes a precedent, that Frederic C. Leubuscher has won his appeal for a refund of the federal tax to the Foundation in the United States Circuit Court of Appeals. The sum involved is about \$7,000, adding substantially to the income of the Foundation. We imagine our readers, excepting of course the lawyers among them, will not be interested in lengthy details of the legal points involved. These are set forth in Mr. Leubuscher's briefs. Concisely, his contention is that the court must be guided by the will and the will only; that the legacy to trustees to form a Foundation to teach the Single Tax is exempt from the estate tax.

Mr. Leubuscher cites the League for Industrial Democracy (to which Bertha Poole Weyl made contribution). As the league advocated state socialism, the Board of Tax Appeals decided it was propaganda and therefore not educational. The Circuit Court of Appeals in reversing said Congress did not intend to use the word "educational" in an exceptional sense, but, giving it a plain, ordinary meaning, it is applicable to this appellant's contribution and the deduction should have been allowed.

Mr. Leubuscher continues, not in way of argument but as an "aside" for the information of the court:

"It might be added, for the sake of the record, that the doctrines of Henry George are individualistic and not socialistic."

The following from the court's opinion is of interest to Single Taxers:

"Respondent urges that the object of Henry George's ideas is 'bitterly partisan,' that the Single Tax 'is a step toward socialism' and is therefore in some respects working against the present economic order,' and that 'the theory sponsored by the Foundation, of its very nature, is controversial and by many thought to be highly inimical to the present order.' \* \* \*

"The inferences and conclusions thus presented rest upon assumption as to the significance of Henry George's ideas which are not supported by the evidence. Vague as it may be to say that they 'involve a step toward socialism' or a change in the present social or economic order, the testimony is categorically that they do not; that their adoption would require change only in the machinery of taxation to adopt a new incidence of tax; that this may be no more drastic than the adoption of an income or other plan of tax; that its effect outside of the revenues might be no more immediate than any other change in tax. There is evidence that the ideas of Henry George have been embodied in the land taxes of Pittsburgh, Pa., for ten years. The evidence also is that no part of the Foundation's operations is devoted to political agitation.

"Professor Dewey, whose eminence as an educator is well recognized, testified that 'no man, no graduate of a higher educational institution, has a right to regard himself as an educated man in social thought unless he has some first-hand acquaintance with the theoretical contribution of this great American thinker.'

"Thus, like the classics, the ideas of Henry George may have an educational significance which may be recognized wholly apart from their social or political validity. Perhaps no one would doubt the deductibility of a bequest to a similar foundation to teach, expound and propagate the ideas of Plato or to promote the distribution of copies of *The Republic*, irrespective of the extent to which their adoption might modify our social structure. On the other hand, it would clearly be necessary to stop short of allowing the deduction of bequests to propagate the one side or the other of the current political question of the repeal of the Eighteenth Amendment to the Constitution. Between the extremes the deduction must turn on the evidence in each case. The fact that there may be differences of opinion about the wisdom or practicability of Henry George's ideas—that the subject is controversial—does not serve to render the teaching and spreading of knowledge about it other than education."

We offer our congratulations to all concerned. Mr. Leubuscher in winning this victory has performed a great service to the cause, while adding another laurel to a professional career of more than forty years by a significant contribution to the obtaining of a judicial opinion destined to be cited in many future decisions.

## For Wanderers in Darkness

WE have indicated in Comment and Reflection of this issue what we consider the breaking down of the contemporary mind, a mental helplessness in face of the industrial collapse. One stands actually appalled by these extraordinary proposals, the curious feebleness of the intellect exhibited by many who essay to answer the problem of the economic depression that has overtaken us.

Here is a Mr. Edge in an article in the January number



of the *Living Age*, entitled "The Changing Value of Man." It is quoted rather approvingly by the Boston News Bureau. It is of a piece with learned rubbish to which we are becoming accustomed. Listen to him:

"The true value of any worker rests upon a much broader base than the cash value of his wages; his true value depends upon the value of land. For as far back as records go, unchanged at all times and in all places, in Egypt in 3000 B. C. and in Texas, U. S. A., in 1910, the basic value and obtainable wage of a man has been half the produce from the land he rents and can work, or, in the manufacture of goods, half the value he can add by his skill. \* \* \*

"Machine production in these cases lowers the value added to necessities by manufacture, and if uncontrolled can virtually extinguish it; wages of all concerned decline accordingly as mechanization progresses in production of necessities and unemployment increases."

Upon which the Boston News Bureau makes comment:

"That uncontrolled mechanization brings its own cure by disappearance of profit is true, but it does so only after wreaking intolerable hurt on many men, and we cannot afford that. There may be dispute as to the remedy or means of control proposed by Mr. Edge, viz., the removal of taxation from land and its imposition on the machine, but that at least some control of the machine is a real and imminent problem to be faced in the near future seems pretty clear."

Is it necessary to comment on this? Is it even possible to do so and be respectful? What do our readers think of a single tax on machines with land entirely exempt as a proposal to halt the processes of civilization and go back to barbarism in a jump!

And all this is dressed up in a pretense of learning while denying all the canons of common sense.

"Oh, we have learned to peer and pore  
On tortuous problems from our youth;  
We know all labyrinthian lore,  
We are the three wise men of yore,  
And we know all things but the truth."

We thank you, Mr. Chesterton, for those lines.

We pass from this article of a curious thinker to another not quite so preposterous by Dr. Edwin Cannan, professor emeritus of political economy of London University, a gentleman who boasts a lot of letters behind his name that make serious inroads on the alphabet. It appears in a recent issue of the *Scientific Monthly*. This is the monthly organ of the American Association for the Advancement of Science—which includes economic science!

Dr. Cannan quotes the well-known passage from John Stuart Mill:

"The ordinary progress of a society which increases in wealth is at all times tending to augment the incomes of landlords; to give them both a greater amount and a greater proportion of the wealth of the community, independently of any trouble or outlay incurred by themselves. They grow richer, as it were, in their sleep, without working, risking or economizing."

The learned professor seems to think that this situation has been altered in recent years. He says:

"To grasp the completeness of the change of view which has taken place in the last hundred years, we must notice that Mill and the whole school which he represented were thinking not of the few lucky landlords who have inherited land which has been selected by nature or accident as the site of a city, but of the ordinary rural agricultural landlords. So far have we moved that the land-value taxers of today quite

cheerfully propose to exempt all 'purely agricultural value' from the imposition which they advocate."

Why assume that Mill was thinking wholly in terms of agricultural land? The professor needs also to be told that land-value taxers of today do not propose to exempt agricultural land values. He is probably thinking of the Snowden budget, where such exemption was introduced purely for its political effect and without any economic justification.

Professor Cannan continues:

"Envy of the happy owners of such urban land as rises in value more than enough to recoup what they and their predecessors in title paid in road making, sewerage and other expenses of 'development' plus loss, if any, in waiting for income, still plays a part in contemporary politics, but the economist foresees that there will be at any rate less of such rise of value when the adult population ceases to increase and the demand for additional houses and gardens consequently disappears. He realizes that if any such rise continues, it will be due to the people being not only able, as they doubtless will be, to occupy a larger area with their houses and gardens, but also desirous of doing so."

We dislike that word "envy," though the people who pay the enormous revenues that go to the owners of city lands—more than \$800,000,000 a year in New York City—might justly be touched with some emotion of the kind. And this is all the population. It is amusing, too, to be told that urban dwellers will be able to occupy larger areas for their houses and gardens as land values rise!

In all that Professor Cannan writes there is no recognition of economic rent and its implications. It is a jumble of fallacies. We admire the smoothness and dexterity with which he evades the tremendous problems that must have cast their shadows on the paper as he wrote. There is a smug complacency in the easy swing of the professor's English, but it is outdated today, in thought as in manner.

In contrast with all this weird reasoning may we not impress upon readers to whom this proposition is a new one the simplicity of Henry George's proposals? Regardless of all these questions dragged in by the heels by these pseudo economists (talks about this being a machine age—every age was a machine age since man first grasped a spade; whether economic rent is or is not an increasing proportion; whether economic rent is or is not sufficient to pay all costs of government, including war debts; whether or not other monopolies exist and need to be curtailed)—in spite of all, bear in mind that there is a value attaching to land which, because of its nature and because of the dangers resulting in its diversion into private hands, should be taken for all needed revenue in lieu of taxation.

Think only of the justice of it and the results to flow from it, and see how simple it is in contrast to the strange and learned muddlements of minds grown bankrupt of intelligence, confused, helpless, impotent, whose writings seem like the language of the insane, a monstrous babblement.—Editor LAND AND FREEDOM.

"ECONOMISTS" and "statesmen" suggest many ways to revive business except removal of the crushing burden of twelve billions of taxes.