

HOLLAND

During the debate in the Groningen City Council on 21st January on the estimates for 1935, Mr Kolthek moved a motion in favour of taxation of land values. The principle of this tax not yet being incorporated into the Dutch legislation at all, the motion had to take the form of a demand that the government should introduce it.

In his explanatory speech Mr Kolthek provided figures showing the rapid growth of indirect taxes, both for the national expenses and for the municipal ones. Although from 1914 till 1935 the proceeds of national direct taxes increased to more than double the amount of indirect taxes rose from 100 to 346 million guilders. More than 60 per cent of the total revenue of the municipality of Groningen is extorted from the citizens by indirect taxation—principally by extravagant profits from the monopolistic municipality works, supplying water, gas, electricity and radio.

Mr Kolthek showed the fatal consequences of this system, as well for the working class as for the trading middle classes. The purchasing power of wages is greatly diminished by the robbery of indirect taxes and trading must become more and more depressed, as we see it to be.

He also pointed out that the nation could get rid of this system. There is available a rich source of wealth, incorporated in the value of the land and created by the community. That source must be assessed. The provided figures showing the decline of the sale of gas and electricity by the municipal works. Prices have been raised to such a height that a large part of the citizens cannot afford these services, and are using petroleum for lighting and cooking. Prices have to be reduced now, but the Council cannot balance the budget without the present high profits of the works. The proposal to reduce prices at the cost of a diminished writing off for depreciating of the works, was denounced by Mr Kolthek as a bankrupt's policy.

Mr Kolthek proposed to forward the following motion to the government:—

"The City Council of Groningen, considering that the system of indirect taxation, by making extraordinary profits out of the municipal works and such-like cannot be maintained at its present extent, and is besides an unsound foundation for the financial management of the municipality; considering further that taxation for the national expenses should be based on another system, and *inter alia* the Municipal Corporations Act should be revised in such manner, that the town council is authorized to tax the values of the land within its boundaries, irrespective of whether it is used or not, built upon or not; the City Council being of opinion that the development of society, in relation with the evolution of science and technics, contributes largely to the growth of land values, which, therefore, are not the results of personal exertion or spending of capital of the owner of the land—thinks it to be just and expedient that this socially created value be brought to the benefit of the whole society by taxation, by which the existing unjust taxes can be abolished."

This proposal polled only two votes, that of Dr de Waard and Mr Kolthek himself. But none of the members of the council accepted the challenge, except a member of a Christian political party, who asserted that the capital, invested in the ownership of land was not of a parasitic character, because . . . the landlords have to pay a tax of their income.

A vigorous election campaign is being prepared for the Provincial Legislature and the City Council. The

City Council, not being inclined to take any step in the direction of a sound financial management of public affairs, our friends go again to the citizen, spreading their principle and criticizing the present system, in order to win more seats in the City Council. They are gaining ground, slowly but steadily. Some papers begin to show interest and review its publications, saying that the principle of taxation of land values is worth consideration.

DR FELIX VITALE

Dr Vitale was the first to introduce the ideas of Henry George to South America, and we give the events of that early propaganda as we have had them from his own lips.

Dr Vitale is an Italian, and qualified himself in his own country as a doctor of medicine. In 1898 he settled in the Republic of Uruguay, and soon after made a journey to North America in connection with his profession. In New York he met Antonio M. Molina, from whom he received his first knowledge of George's teaching. This made a great impression on him and he studied it with eagerness in order to make it known in South America and in Spain. In the latter country in 1899 he published, under the pseudonym of "Zoydes," his first book, which was entitled *Pobreza y Descontento* (Poverty and Discontent). It is a very instructive work and well suited for popular reading on account of its very clear and comprehensive statement of the principles. This volume also contained a translation into Spanish of *The Condition of Labour* by Dr Vitale, who had mastered the English language.

As Molina used to say that his best work for Georgism was to have attracted such a disciple as Vitale, so he in his turn can pride himself upon having interested Baldomero Argente in the translation into Spanish of all Henry George's works—a task which is now completed and enables Spanish readers to have a complete set of his works. Formerly the only translation available was that of *Progress and Poverty*, published in Barcelona in 1893, made by an unknown author.

Vitale pursued in Montevideo an enthusiastic propaganda by conversation, speeches and articles in the press. It is indirectly to his action that we owe the publication of the series of articles by Dr Herrera y

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Reissig, subsequently issued in 1913 in book form under the title *El Impuesto territorial y la reforma tributaria en Inglaterra* (The Land Value Tax and Fiscal Reform in England).

In the same year Vitale went once more to Spain to take part in the International Geogist Conference held at Ronda where his knowledge of languages much facilitated the exchange of ideas between the delegates of the various countries.

The spread of Geogist ideas in Uruguay had its repercussions in Argentina, stimulating the Australian Mackintosh and the Canadian Balmer to found in Buenos Aires the Argentine Single Tax League. At a later date the Geogist Society of Cordoba and the Liberal Geogist Party were formed.

(Translated from *La Reforma Economico-social* by Eduardo F. Belaustegui, published by Librerias Anaconda, Buenos Aires, 1934.)

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It may be added that Dr Vitale was a resident in London for a number of years, when he closely associated himself with the work of the British movement. He is once more resident in Uruguay and an active contributor to the press of that country and Argentina.—EDITOR, *Land & Liberty*.

DELAWARE

A number of measures directed towards reducing the tax rate on buildings and increasing that on land values have been introduced in the Legislature of the State of Delaware. One proposes that all buildings erected and improvements made within a period of three years should be exempted from taxation for ten years, the position to be reviewed at the end of that period.

Another Bill proposes for the City of Wilmington a graded tax law similar to that in operation in Pittsburgh. Under this buildings would in the first year be taxed at nine-tenths the rate levied on land, in the next year at eight-tenths, and so on until the tax rate on buildings was reduced to half that on land value.

The third Bill proposes a similar graded tax law for State, county, school, municipal and other public purposes.

A SCENIC PAMPHLET

NOTABLE PASSAGES FROM "PROGRESS AND POVERTY"
ILLUSTRATED.

A novel production of the Henry George School of Social Science 211 West 79th Street, New York City, is a large 16-page booklet, with numerous photographic illustrations intended to make a graphic presentation of the message of *Progress and Poverty*, the text used being some of the illuminating passages from the book. Scenes are taken from New York, showing the contrasts of wealth and poverty; the progress of invention in pictures of the trek-wagon and the latest "streamline" express train. The well-known passage (the "Great Savannah") describing the growth of the village and the city from the original settlement of the lonely pioneer has its illustrations from country and town life; and there is warning enough in the photographs bearing on extracts from the chapter, "How Modern Civilization May Decline." The booklet is issued for advertising the School and its classes and the study of Henry George's writings.

A supply of this pamphlet has been received for *Land and Liberty* readers and for teachers or members of economic classes. Copies obtainable from our offices at 6d. each, post free.

TRANSVAAL

Mr Mather Smith is now established in Johannesburg where he is doing much to promote the land values movement. In addition to addressing various meetings, he is concentrating on the sale of literature, and has now municipal permission for a stand in front of the new library every morning, and in front of the City Hall every afternoon.

In his book, *The Joke about Housing*, Charles Harris Whittaker, well-known architect, editor of the Journal of American Architects, explains the obstruction by non-producers, the drones in the hives, who indulge in the negation of service by holding land out of use until they can realize on the capitalized rent which population has produced by its increase, and by the "eternal fitness of things" is plainly ear-marked for the expenses of government. When ground rent is taken for its rightful purpose the speculative non-producers will have a fair chance in life with all others who desire to do a man's part in society. Mr Whittaker says, "Land is our national Monte Carlo. It is the green table on which we gamble away the wealth of the nation, its prosperity and well-being and social stability as well."—Mrs Winifred B. Cossette.

"A Highgate Resident," writing in the *Finchley Press* (8th December) on the origin and growth of the unimproved values of land, says: "It is obvious that the State and the Municipality do not alone suffer from the deprivation of these necessary revenues for public purposes but the suffering and misery extends over the whole community. The simplest and best way to remedy the unjust distribution of wealth is to tax and rate land values." He quotes appropriately the following extract from Chapter VI of *The Social Problem*, by J. A. Hobson, published in 1901: "The greatest single source of error in dealing with the Social Question is the failure to understand the claim of society to property based upon the ground that society is a worker. Outside a narrow class of economic students an almost universal belief prevails that property and the value in it are attributable to individual agency alone. . . . Economic value cannot attach to land at all, except by the operation of social forces and the influences which normally cause increase of land values are distinctly social."

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