

tion and came as near to being a "best seller" as a publication of its character could. Under Mayor Edward F. Dunne he served as a member of the Board of Local Improvements, and under Mayor Carter H. Harrison as president of this board (1911-1915). With such other liberals as Clarence Darrow and Victor S. Yarros, Mr. Schilling organized the Sunset Club in the '90s. The declaration of principles of this club are unique, reading in part:

No President. No Bored. No Steward. No Encores.  
No Long Speeches. No Dress Coats. No Late Hours. No Perfumed Notes.

No Preaching. No Dictation. No Dues. No Litigation.

Other prominent Georgists who celebrated birthdays during the last month or two are Fiske Warren, seventy, July 3; Peter Witt, Cleveland, sixty-three, July 24 (his hair is as black as ever); Dow Dunning, Boise, Idaho, seventy-four, Aug. 10, and Frank W. Lynch, San Francisco, seventy-one, Aug. 18.

### SINGLE TAX SPEAKERS

*Claude L. Watson, Chicago, Ill.*—On Tuesday evening, July 26, Mr. Watson addressed a special meeting of the Kiwanis and Rotary Clubs of Coshocton, Ohio. Mr. Fred S. Wallace, publisher of the *Coshocton Daily Tribune* and one of the most persistent and militant of Single Taxers, arranged the appointment. He writes: "Our joint meeting was a good one. The attendance was good, between 120 and 150, I was told. It closed with general discussion, questions and answers, and many remained at the close to talk further with Mr. Watson."

Mr. O. A. Toepfert, leader in the Henry George Club of Cincinnati, is arranging a week's engagement in Cincinnati and vicinity for Oct. 2-8. Dr. Thomas Sullivan of Covington, Ky., is cooperating in arranging appointments in Cincinnati's neighboring city.

Mrs. Howard J. Bailey of Omaha, Neb., already has Mr. Watson scheduled to speak before the League of Women Voters on April 17. "After hearing Mr. Watson this spring," writes Mrs. Bailey, "I am very anxious for more women to hear him explain the Single Tax."

*George M. Strachan, Chicago, Ill.*—Speaking as an electrical engineer and head of the bridge department of the City of Chicago, Mr. Strachan addressed the forum of the St. James M. E. Church of Chicago on Sunday evening, Aug. 28, on "A Bridge from Adversity to Prosperity." The engagement was arranged by Mr. Clayton J. Ewing, president of the forum as well as of the Single Tax League. The "bridge" to which Mr. Strachan devoted his "sermon" was nothing short of the full Single Tax. "Other measures don't span the distance," maintains Mr. Strachan.

*J. Edward Jones, Chicago, Ill.*—Mr. Jones spoke before some fifty members of the Crawford Business Men's Association, a community club in Chicago, on Friday, Aug. 26. The appointment was secured by the Single Tax League.

## Goods Shut Out and—In!

"**E**VERY pennyworth of foreign goods that comes into this country is paid for by a similar amount of English goods that go out of the country," said Joseph Chamberlain, in 1895. This was true at that time and remains true today. Therefore, for every pennyworth of foreign goods shut out by quota, tariff or other protectionist device, a similar amount of English goods are shut in and unemployment in both countries follows as certainly as night succeeds to day.—*London Commonweal*.

## Taxation of Land Values

BY THEODORE H. LUNDMARK,\* BEREA COLLEGE, WINNIPEG  
FIRST PRIZE (\$100) IN ANNIE C. GEORGE ESSAY CONTEST, SPONSORED BY ROBERT SCHALKENBACH FOUNDATION.

**W**E are proud of America. Here the laborer is more happily conditioned in all material things than people in any other land. We have built cities, bridges, rivers, tunneled mountains, built almost perfect highways, converted the wilderness into spreading fields of grain and built magnificent temples and skyscrapers. We possess half the world's gold supply, and no people in any other land have accumulated as much of material wealth.

Yet the whole United States stands disgraced, where everywhere there is penury in the midst of more than plenty for all; where laws of privilege and special favor have made droves of millionaires and multimillionaires at one end of the social scale, and millions of unemployed and destitute at the other end. The Kentucky farmer today faces financial ruin. With debts and taxes created on an inflated basis, he is now called on to pay them with his products selling on a deflated basis. With prices much lower than before the war, his taxes are from two and half to five times higher. With what he has to sell bringing half or less than half of what it did before the war, what he has to buy is, in most instances, costing him twice as much. Today taxes take one-sixth of his gross; so, to say more. One out of every six days' work goes for taxes, one out of every six hogs sold, one out of every six gallons of milk, sixteen out of every 100 pounds of tobacco. What is true of the farmer of Kentucky is true of most farmers elsewhere.

What is the cause of the unequal development of our civilization? How can democratic equality and universal prosperity be restored?

The ownership of land is the basic fact which finally fixes the social, political, intellectual and moral status of any people. Mr. M has the right to command land upon which Mr. A. and Mr. C must work so that he can extract the fruits of their weary toil as the price of his permission to work. The State allows land of superior productivity

\*[BIOGRAPHICAL NOTE.—Theodore Lundmark was born Oct. 1906, at Brainerd, Minn.; lost his father when he was three. In 1919 Lundmark moved, with his mother, to Detroit, Mich., where she died leaving him to fight single-handed. He dropped out of high school and worked for eight months as office boy in the editorial reception room of the *Detroit News*. He studied typing two evenings a week at the High School of Commerce in Detroit and won seventeen typing awards. His chief interest in life has been music. He attended Iberia Junior College, Iberia, Mo. Graduating from the Junior College, he was recommended for admission to Berea College by friends, and he expected to major in music and give a graduation recital next year. To help defray college expenses he does stenographic work in the Berea College broom factory office. Mr. Lundmark received the decision as first prize winner among sixty-one essays submitted from Berea.—EDITOR]



to lie idle at little expense to Mr. M, and thus natural opportunities are withheld from labor and capital, unless they work less productive land. It is no wonder that the consumer must pay such enormous prices for food products and clothing produced under such unfair conditions.

Furthermore, when the State penalizes the farmer for covering barren fields with ripening grain, fines the man who drains a swamp, and taxes efficiency and thrift on every hand for adding to the aggregate wealth, it violates the fundamental law of nature—that her enjoyment by man shall be consequent upon his exertion. That land is necessary to the exertion of labor in the production of wealth is a simple truth which leading American economists are beginning to recognize.

In the latter part of the nineteenth century Henry George was confronted with a problem not unlike that which is puzzling scholars today. He was struck with the strange paradox that, in spite of the tremendous growth in production and wealth which had resulted from the advancement of civilization, poverty continued. He was also impressed with the rapid increase in land values and the consequent speculation prevalent at that time. As a result of his earnest investigation in the field of economics he was convinced that in these rising land values lay the interpretation of the paradox. Land rents were absorbing the increase in production, and labor was not getting the benefit of it. From this reasoning he worked out a proposed remedy in the Single Tax.

The essence of the Single Tax theory may be given in Henry George's own words, taken from his book "The Condition of Labor," written in 1891: "We would simply take for the community the value that attaches to land by the growth of the community; leave sacredly to the individual all that belongs to the individual; and, treating necessary monopolies as functions of the State, abolish all restrictions and prohibitions save those required for public health, safety, morals and convenience."

In any country, the bare land with its contents and the waters that flow through and about it constitute the natural environment of all the inhabitants of that country. It rightfully belongs to their equal claims, and there is no foundation for allowing private ownership. The privilege of *private occupancy* and use of land, however, is indispensable.

Land should be, and practically is, divided for private use in parcels among those who will pay the best price for the use of each parcel. This price is now paid to some persons annually, and it is called rent. By applying the rent of land, irrespective of improvements, to the equal benefit of the entire community, absolute justice would be done to all. As rent is always sufficient to defray the ordinary expenses of the national, State and local governments, those expenses should be met by a tax upon rent alone.

This "single tax," as Henry George calls it, could be set into operation by increasing, gradually, the tax on

land values and, correspondingly, diminishing the taxes levied on improvements of the land.

Obviously, such a tax would involve absolute free trade, since manufactures, imports, successions, documents, houses and stores and other improvements would be exempt from taxation. Nothing made by man would be taxed at all. The State would take only the rental value of the bare land itself, as a natural resource. Thus, only the unearned increment would be touched.

Not all of the economic rent (value of land) would be needed as taxes, and the surplus could be expended for the collective welfare, in such projects as increased educational facilities, more parks and playgrounds, better roads, promotion of the public health, cleaning up of slums.

A tax on the unearned increment of land, being a pure surplus, would burden no one. Moreover, no one could hold land idle for speculative purpose, because as fast as its rental value increased the tax would be raised commensurately. Hence, the Single Tax will end the injustice of taxing a man for improving his lot with a fine home while his neighbor who holds the land for speculation and raises only weeds pays a low tax until the work of the home owners or some public improvement enables him to sell out at a profit.

The amount of tax which the owner must pay will be determined by whatever the land is worth in the market where tenants compete for the privilege of utilizing it. This will put pressure upon him to put the land to a profitable use. In this way the Single Tax will increase production, thereby augmenting the income of the community.

How would the institution of the Single Tax affect the farmer? The destruction of speculative land values would tend to diffuse population where it is too dense, and to concentrate it where it is too sparse. Hence, the farmer would have the conveniences, the amusements, the educational facilities and the social and intellectual opportunities that come with a closer contact of man with man. As long as very much of the country around the farmer remained unsettled, there would be hardly any taxes at all for him to pay, since the value-for-use of the land is conditioned on population. The improved and cultivated farm, of course, would be taxed no more than unused land of equal quality.

Take, then, for the needs and benefits of the whole community, that fund which the growth of the community creates. The sting of want and the fear of want will disappear. The admiration of riches will decay. Oppressive bureaucracy and oppressive captainship of industry will have a check placed upon them. The little village will be transformed into a great city. Reforestation of our lands and thus the control of our rivers will result. The progress of science, the march of invention, the diffusion of knowledge, will bring their benefits to all. Children now growing up in squalor, vice and ignorance will discover their virtues and splendid talents, thereby making human life richer, fuller, happier, nobler. The Single Tax will construct a



*world society* providing freedom, equal opportunity and a sense of security.

Various objections are urged against the Single Tax, beginning with an expression of doubt concerning its beneficent working, and ending with the charge of confiscation. Granting that exact results are beyond human power of prediction, it may be safely affirmed that if the principles of the reform are correct, the result may be left to take care of itself. Every great movement in behalf of human welfare, like the abolition of the corn laws or the emancipation of the American slave, have been forced to meet the same prophecies of evil, duly proved to be groundless.

The question has been raised, Is it possible to separate the land value of a country from the labor product of individuals? Admitting that it is impossible invariably to discriminate between land value and the labor product of individuals, the necessity of taxing some of the improvements does not imply that all of the improvements should be taxed. The statement has been made that production would be discouraged by taxing values which labor and capital have intimately united with that of land. The taxing of not only these, but all the clearly distinguishable values which labor and capital create, does result in far greater discouragement.

As a matter of fact, there is no difficulty in distinguishing the bare land value from the labor product, even where ground has been occupied from time immemorial, Henry George points out the fact that a hill terraced by the Romans is now a part of the natural advantages of the British Isles, the same as if a glacier had been the cause. Each generation is heir not only to the transportation facilities, soil, forests, minerals and other natural powers, but also to whatever remains of the labor of past generations.

As regards "confiscation," to give that name to the action of society in taking the value which it creates and which belongs to it, although that value has for generations been misappropriated by individuals, is to misuse terms and confuse sacred rights. The Single Tax aims only to stop the present confiscation. It does not ask indemnity for the past, but security for the future. All it proposes is to take every year that value which society in its collective sense creates during that year, leaving untaxed everything produced by the individual.

While recognizing the justice and propriety of governmental control of certain natural monopolies, such as franchises belonging to all of the people, and now generally bestowed without compensation on private corporations, it would not substitute paternalism for individual freedom. The Single Tax aims at equality of opportunity and not of possessions. With fair play and an open field, it would trust results.

This tax does not fear competition, but has no faith in the stability of a society where free competition is denied. It repudiates the game where part of the players use loaded dice. It has more faith in the people than in their rulers

and does not think that any combination, whether it calls itself a trust or a government, can manage private affairs half as well as the people can do it themselves.

In this hour of economic crisis it is our clear duty to look for a scientific reform of the American tax system. The abolition of all taxes but that on land values would dispose of the large army of tax gatherers, making the government simpler, and hence purer and less expensive. The vindication of George's primal truth shall be realized partly by our own rational and courageous efforts.

It is not because it is a promising invention or cunning device that we look for the Single Tax to do things claimed for it in this paper; it is because it involves the basing of the most important of our laws on the principle that we should do to others as we would be done by. In doing this, the Single Tax involves a conforming of the most fundamental adjustments of society to the supreme law of justice.

WHEN we look into the sweet face of that confiding little child whose picture the Community Chest hangs up on lamp posts at Alms Gathering Time, and then think of the thousands of 99-year land leases and the mountains of bonds and interest that this unjust generation has condemned that poor child to pay, we are heartily ashamed of our kind.—*The California Progressive*.

THE Ottawa Conference is simply a conspiracy in the interests of protected manufacturers and land monopolists. They hope to use it to further their own selfish ends. If it increases taxes and restrictions upon the natural flow of trade, it will cause permanent injury to Great Britain and the Dominions. It will accentuate animosities, and further endanger the peace of the world.—*Sydney (Australia) Standard*.

HENRY GEORGE'S idea of taxing idle land attracted but little attention more than a generation ago; but if such a procedure would give idle men more opportunities for work it might be worth considering.

The taxing privilege can easily be used to promote the interests of business men everywhere, while the present procedure seems to be opposite in character.—Editorial in *Liberty*.

GREEK history states that a certain King Bion pledged himself to offer up a holocaust—burnt sacrifice—of a thousand oxen in honor of any man bringing a new thought into the world, and ever since all oxen bellow tremendously when a new thought comes.—*Progress*, Melbourne, Australia.

JAPAN'S idea of how to break down sales resistance and make business good is to shoot the ultimate consumer.—*The New Yorker*.