

FALSE EDUCATION IN OUR COLLEGES AND UNIVERSITIES

By Emil O. Jorgensen

The perversities of Nature in generating forces and conditions that resist progress evoke an impatient curiosity as to their purpose or significance. We want to know the good of earthquakes; why weeds grow with such intolerable vigour; what purpose is served by clouds of locusts; why the precious metals have not rested on the surface of the earth instead of hiding themselves fathoms deep; why the uses of steam, electricity and the mysterious ether should have been so elusive as to have required for their discovery ages of study and labour. And in the realms of discursive reason and practical politics the same questions perplex us. What is the good of the obscurantist and traditionalist, the anti-progressive, the ultra-conservative, the die-hard and the defender of entrenched piracy? In a word, what is the good of Professor Richard T. Ely? That he is there, a substantial twentieth-century figure with pronounced characteristics, thrown up like ourselves by the social forces of the time, affords proof-presumptive that he serves some purpose in the Cosmic scheme. To those whose disposition is to justify the ways of God to man, or, in scientific language, to read a teleological significance into the evolutionary process, many things become intelligible that are otherwise obscure, chaotic and meaningless. Only when the hypothesis is entertained of a purpose or end, and that end the production of self-conscious, self-directive, creative spirits, the necessity for obstacles, obstructions and difficulties becomes obvious. "I count life just the stuff to try the soul's strength on, and so educate the man," said Browning, and the "educing" or educative "stuff" is just the irritating inertia, the stubborn resistance that meets man's efforts at every turn.

The moral is self-evident. The reformer must encounter the deformer if his passion is to rise to a white heat, and if he is fully to understand the value and significance of his own message to the world. Resistance is the necessary condition of incandescence and luminosity. It is here that we find the place for Professor Ely in an intelligible scheme. He stands for that dead-weight of inertia or resistance, in the overcoming of which man finds himself. 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 *exposé* 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.

The incidents that led to the writing of this book may be briefly told. In 1919 there came together in Chicago a number of men interested in all branches of trade and commerce, whose opinions were converging upon the belief that the economic salvation of society lies in the abolition of tax-burdens on industry and the

fruits of industry, and the concentration of all taxation upon the publicly created values that find their expression in the market-price of land and natural resources. There was then formed "The Merchants' and Manufacturers' Federal Tax League," with a two-fold purpose to serve, an educational and a practical one. In pursuance of the latter, a bill was promoted in Congress, known as the Ralston-Nolan Bill, after its sponsors. This measure proposed to relieve the tax-burden on industry by \$1,000,000,000, and to raise that sum by a tax of 1 per cent on the privilege of holding lands valued at more than \$10,000, apart from improvements. In Mr. Jorgensen's words, "a tremor shot through the whole monopoly structure and shook it to the ground." Immediately the reactionaries "got busy." Mortgage bankers, real estate men and representatives of vested interests of all kinds met behind closed doors. A whisper went round: "Stampede the farmers; tell them this Bill is a dastardly scheme to relieve rich city men and to throw additional burdens on agriculture." The trick succeeded—in killing the Ralston-Nolan Bill. But soon suspicions began to circulate which the "interests" had not expected. Farm leaders and editors of agricultural papers began to "see the cat" and to realize that they had been "buncoed." "An opposite movement was plainly setting in," and it became clear to the vested interests that something drastic and spectacular must promptly be done. There and then in October, 1920, was founded within the walls of Wisconsin University, with Professor Ely as director, "The Institute for Research in Land Economics." Its apparent purpose as indicated by the word "research" was to inquire as to the facts underlying land and taxation problems; its real purpose, as Mr. Jorgensen demonstrates with crushing force, was to lead its students away from the truth that promised to set men free, and to imbue them afresh with the old doctrines that have served in the past to buttress and justify monopoly and privilege, with their co-relate, economic slavery. The object of the "Institute" was, in short, not to discover the truth, but to find what it wanted—means to stifle the teaching that menaced the speculative interests.

The "lay out" or programme of this educational institution was not only ambitious and far-flung, but was planned with the most marvellous ingenuity. Its first step was the publication of three "key" books by way of a manifesto, entitled THE OUTLINES OF LAND ECONOMICS, these being the first instalment of a promised series of fifty volumes. Pamphlets and circulars were written and circulated, lectures delivered and funds raised, largely by contributions from corporations, railway companies and real estate boards. A monthly paper was launched which devoted itself to spreading the doctrines of the Institute. All this was accomplished by April, 1923. From this point onwards its progress was rapid, particularly in its finances, and by September, 1924, its annual income aggregated \$40,000 to \$50,000.

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

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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. For example, it is shown that in defiance of his own declaration that in an inquiry of this kind facts must first be gathered, analyzed and interpreted before conclusions are reached, Professor Ely informs his readers, in one of those introductory "outline" books, that "Directly and indirectly our educational and philanthropic institutions rest to no inconsiderable extent upon the ownership of land and the rents which it yields. Our educational and benevolent institutions are growing in wealth by leaps and bounds and many Universities have now an annual income which a generation ago would have been considered a large endowment." Apart from its irrelevance to questions of justice and equity which one might have assumed was the ultimate object on which the "research" was intended to bear, what are we to think of this as a guiding thought for University students starting on an impartial hunt for a solution of land and taxation problems; and remembering as we must the student's natural prejudice on the importance of educational institutions, and the sympathies of all well-conditioned youths towards benevolence and philanthropy?

"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. Considerations of space forbid following his closely concatenated arguments, further than to say they are all extremely convincing, except perhaps in one instance. Professor Ely admits the decay of farm-ownership and the increase of tenancy, but defends it as a desirable tendency, while Mr. Jorgensen argues to the contrary at what seems unnecessary length. For while it can easily be shown that the increase in tenancy now taking place in America is mainly due to owning-farmers being frozen out of their holdings by over-taxation, it does not seem to follow that under a just system of revenue-raising there can be any inherent advantage in occupying-ownership as compared with tenancy. Thomas G. Shearman, whom Mr. Jorgensen quotes, speaks of landowners as "Nature's tax collectors," and suggests that if a sufficient margin of economic rent is left in their hands to remunerate them for their work of collecting, it may be less costly to employ them in that capacity than for Governments to collect it directly. There would obviously be an economy of effort in collecting the ground-rent of a hundred farms through the medium of one owner instead of dealing with that number of individual farmers. Moreover, in the matter of valuation, where a farm is rented under free or natural competition, it is by that transaction definitely and accurately valued; whereas in the case of separate ownerships a hundred conjectural valuations would require to be made. There seems to be, therefore, a conceivable simplification in the application of the single-tax principle in the fact of large tracts of agricultural land falling into the ownership of speculators or land companies. In any

case, we venture to suggest that it is immaterial to single-taxers, whether ownership or tenancy of land prevails, so long as its value is held liable for public expenses, and improvements are immune.

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 proofs 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.

RATES ON AGRICULTURAL LAND

Mr. Neil MacLean, M.P., has received the following letter and information from the Minister of Health, Mr. Neville Chamberlain:—

"Mr. Chamberlain desires me to explain that the returns furnished to his Department do not show separately the amount of rates paid in respect of agricultural land. An estimate has been made on the best available material but the figures must be regarded as only approximate. The amounts collected from agricultural land in respect of sanitary and other rates to which the Agricultural Rates Act do not apply are included as well as the rates to which those Acts apply.

"Yours sincerely, M. BRASS."

TABLE

Year.	Amount of Rates estimated to have been paid in respect of Agricultural Land	Amount of Rates which would have been paid in respect of such land if the Agricultural Rates Acts of 1896 and 1923 had not been in force
	£	£
1920-21	6,800,000	11,650,000
1921-22	7,630,000	13,130,000
1922-23	7,200,000	12,350,000
1923-24	3,750,000	11,500,000
1924-25	3,830,000	11,830,000

In his covering letter to us Mr. Neil MacLean writes: "The respective totals for the two columns in the table are 1st Column: £29,210,000; and 2nd Column, £60,460,000, which shows the landlords getting away with over £30,000,000 in the five years set out in the table." Mr. Neil MacLean's observation is in line with the universally accepted view that the benefit of the relief given to occupiers by the Agricultural Rates Act goes into the hands of landowners, a view upheld also by many *opponents* of land value taxation.

[The figures given above apply to England and Wales.—Editor, LAND & LIBERTY.]

Have we so many land-workers that we can dispense with them by emigration? What will happen if the present depletion of our countryside continues? Here are some figures to think about. In 1918 there were 12,309,000 acres of land under cultivation of cereals in England and Wales. By 1925 the total had dwindled to 10,680,000. In 1918 we had 2,557,000 acres of land growing wheat. In 1925 the total had dropped to 1,499,000. Till we come to grips with the problem of "back to the land" we cannot pretend to have profited by our war-time experience.—SPECTATOR, 10th April.