

improvements, the stately buildings, the rows on rows of tenements. As permanent investments these would not be worth a penny. They are as "insubstantial as the pageant of a dream." They vanish in a generation. Every septuagenarian has seen New York change three times in the years he has lived. Little of the work of each generation survives. The granite sub-treasury building, begun in 1834 and completed in 1841, is almost the oldest substantial structure in New York, and is thus less than seventy-five years old. The Astor House recently destroyed goes only a little more than fifty years back. Going back further when New York was Dutch what relics of this period survive? But the island remains, the earth and rocks, the geologic formation, plus population—and the revenues of the great landowners remain as long as these remain. Houses, mercantile palaces, and stately office buildings come and go—but a little earth and rock and sand fronting the harbor remain as a very permanent investment, which increases constantly in value as the human tides flow in.*

Miscellany

ALL TAXES PASSED ON

It seems to me that there is a splendid opening in this country for a man who knows how to talk to the people, to be a new kind of demagogue by exploiting the simple truth that there is almost no kind of tax on the rich that the rich cannot pass along to the poor. It is the poor wage earner—who has nothing to sell but labor that is not greatly in demand, and who spends every cent he earns—who pays nearly the whole cost of government. Some learned economists have said that the income taxes of the rich are not passed on to the consumer, but in many situations this doctrine is obviously unsound. The corporation pays its executives big salaries because their income taxes are high. It pays their taxes for them, in short, and then gets them back by keeping down wages, by replacing labor with machines, by speeding up or by raising prices to the consumer.

HEPTISAX in *Herald Tribune*.

DICTIONARIES ADDING TO THE CONFUSION

It is a very unfortunate thing that the dictionaries, through their otherwise excellent custom of taking notice of slowly changing meanings of words, have added to the confusion in terminology. Dr. Nicholas Murray Butler has said most rightly that non-believers in collectivism give away their whole case to the Marxists the moment they accept the use of the term "Capitalism"—a state of society which economically exists nowhere except in the minds of Marxists. Yet Webster's long ago yielded. It gives first the real meaning—"the state of having capital" as a capitalist; second, the meaning of "the concentration of capital in the hands of a few"—for which state the word Privilege would be far better and more lucid; and finally the Marxist definition of the present order—an order which existed

*And the poorest of the workers of the great city must part with a portion of their earnings to swell this tribute. Mr. John Martin in a pamphlet published several years ago, pointed out that among decent self-supporting families with an income of less than \$600 a year throughout Manhattan, an average of 26 to 27 per cent of the family expenditure is for rent. In the more wretched and poorer quarters the proportionate levy is higher. In a block bounded by Allen, Stanton, Orchard and Rivington streets families pay put thirty per cent of their income, and some nearly half of all they earn.

in ancient times, which existed in feudal times, which exists now in what are called "industrial" times, and which always must exist even in the most ideal times, with such modifications of human greed as may be needed, together with a deeper understanding of equity and justice, to make *those* times greater and better than any ever known.

—*Herald News*, Passaic, N. J.

WHERE WILL IT END?

Of course, any scheme that is fundamentally unsound will have unexpected repercussions, all of them disastrous. The question to ask ourselves in connection with this housing scheme is: Where is it going to end? When the State has built a sufficiency of houses will it be able to go out of business? Exactly the same question arises in connection with the public works that are now going on. At the time the scheme is finished will the tradesmen employed by the State be absorbed in other industries, or will the State have to continue building for the sake of making work? Again, when we embarked on the purchase of land for settlement over forty years ago we laid the foundations of a political party, Crown leaseholders who demanded the freehold, and when their friends came into power they got it. We know that everybody who has a piece of land wants to mortgage it because mortgaging nowadays appears to have become a regular industry, as it were, though such a great thinker as Gladstone regarded mortgaging as he regarded bankruptcy—something in the nature of a last resort. Well, if we get enough State houses built, what assurance have we that the State tenants will not demand the freehold? Does anyone seriously believe that the present Opposition will refuse them when it comes into power?

I have hinted merely at one or two of the reflections induced by the scheme. It requires no prophet, however, to say that the scheme, no matter how good the intentions of the Minister in charge—and I do not question them—is doomed to failure, because it is fundamentally unsound and therefore cannot solve the question of housing. May I say in conclusion that the essential equity and social benefit of land value taxation are fairly demonstrated by the flourishing state of the building industry at the present time in the city. Wellington is the largest centre that has adopted rating on the unimproved value in its entirety. And the critics notwithstanding, the system has come to stay because it deserves to stay. Extend that principle in the direction I have indicated, and we shall soon have no housing question, no unemployed question, no labour question.

HON. P. J. O'REGAN, in Wellington, New Zealand, *Post*.

FEDERAL-LOCAL HOUSING COOPERATION

Every effort by governmental agencies or private enterprise to provide low-cost housing in our chief cities has met the obstacle of exaggerated land prices. It has been necessary, therefore, to increase the number of families within a given area in order to decrease rent. The obvious result has been a further increase in land value and overcrowding with all its attendant social evils. While British local authorities have usually permitted no more than twelve families to live in one acre in publicly owned housing, most of our urban development for low-income families is far more dense. The concentration of families of small means into multiple-story tenements has many undesirable effects. It is tolerable for adults alone, but exceedingly bad for families with children, because of the lack of privacy, quiet and play space.

Our methods of assessing land values and our system of taxation have much to do with this problem. Speculative land values, arising from a hope for high returns from intensive future development, overcrowd the land and burden housing. Only the enforcement of careful city planning can restrain such speculative values, by making it clear that land in residential districts will be worth only its site value for dwelling purposes. Such planning would also lessen the burden which taxation imposes on housing, by discouraging the assessment of property at a value depending on conversion to a non-