

bearings upon life insurance interests, and as what happens in England today may happen here tomorrow, some brief references to those hearings may not be superfluous. The Budget proposes to tax the unimproved value of urban land in a special and exceptional degree, on the theory that the owner contributes nothing to its value, which generally rises rapidly.

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Following that luminous introduction, the Independent observes that while this new form of taxation would hit principally "the great land-owning Peers," "it so happens,—and here is where the rub comes in,—that many life insurance companies, friendly societies, and other thrift organizations have a large part of their funds invested in this same class of security, the profits from which would be likely to be diminished by the imposition of the proposed tax." Because that is so, a cry is raised, voiced by insurance journals, that "in taxing the unimproved value of land you tax thrift;" and against this view of the case the Independent registers a firm protest.

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So right and clear is the Independent's protest that we quote it quite fully:

Land is a natural monopoly; the men who own it did not make it or put it there. Therefore to tax the owner would be to tax monopoly and not to tax labor or thrift. But suppose some life insurance company owned the freehold or had a mortgage on it, would that make any essential difference? Not a particle. It is the character of the property and not the circumstances of its ownership that determines whether it is a monopoly or not. If thrift happens to ally itself with monopoly, that is thrift's affair; it must pay the tax, not because it is thrift, but because it is, to the extent here shown, a monopolist. Its grievance is accidental, not fundamental. But suppose the present British government were to withdraw the land tax provisions of the Budget and substitute, say a tax of 2½ per cent upon the premium income of all the life companies, as is done in America. That would be a real tax on thrift and the only sort of tax which would justify the cry above mentioned. It should never be forgotten that taxing unimproved land values possesses this unique advantage, that while it swells the public revenue, it has secondary effects which react beneficially upon the general prosperity of the country. It means that all land will be put to use; that labor and capital will be employed, and increased wealth produced. Here it is that thrift will be recouped for whatever it may have lost through the tax on monopoly. An insurance policyholder is also a wage-earner. If a land-monopoly tax brings him better wages and security of employment he can well put up with lessened dividends or bonuses, as the case may be. It seems to us that the cry "Why Tax Thrift?" ought to be reserved for proper occasions, and not used to obscure fundamental issues upon the proper understanding of which the most momentous results may depend.

When sincere defenders of thrift come to see the radical difference between thrift and monopoly as clearly as the Life Insurance Independent does, Lloyd George's programme, with all that it implies, will be as popular everywhere as it seems now to be in Great Britain.

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The Wisdom of Young Hill.

At a conservation conference called in St. Paul by Gov. Eberhardt, because he had heard that if the State got the right sort of strangle hold on its water powers, they might be employed to cheapen manufactures and still maintain all the State institutions, and believed it, Louis W. Hill talked entertainingly of good roads and arid lands and better husbandry, quite in the vein of "Jim" Hill himself. Speaking of lands held by the Great Northern, he said he was opposed to letting speculators have them. If there was a profit in holding, he thought that Great Northern might as well have it as anybody; and while this railroad had lands to sell at any terms at all to actual settlers, it had none for the speculator. His reasons were good. He submitted that holding lands idle was of no benefit to the community, and that a higher tax on vacant lands would be a wholesome measure to prevent speculation by making it unprofitable—a proposition which, from that source, is not far from sensational. As Minnesota has a high respect for the opinions of the Hill family, the suggestion ought to carry weight. But will it?

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An Empire of Idle Land.

Colonel S. M. Owen, of Farm, Stock and Home (Minneapolis), the leading farmers' paper of the Northwest, makes, in the issue of October 15, a significant map of idle land. From this map it appears that all the land in the United States that is utilized for corn raising, is equal to the area of Montana and the west third of North Dakota; that all the land utilized for raising cotton and tobacco, equals an area no greater than that of Iowa; that the total area put to hay, rye and buckwheat is no greater than the area of South Dakota; that the eastern two-thirds of North Dakota corresponds in area to all the land that is put to winter wheat, while the area of Minnesota equals that of all the land that is put to oats and spring wheat; that all the land put to barley would cover only a bare third of Wisconsin; and that the remainder of that State together with the upper peninsula of Michigan is equal to all the land that is used to grow the lesser crops, the truck crops, and the fruit crops. Consequently

the land in the United States not used for crops is equal in area to most of Michigan and Wisconsin, all the Atlantic seaboard States, plus all the Gulf States, plus all of Ohio, Indiana, Illinois, Kentucky, West Virginia, Missouri, Arkansas, Mississippi, Alabama, Indian Territory, Oklahoma, Kansas, Nebraska, plus all the Rocky Mountain States south of Montana, and plus all the Pacific coast States. Much of this area is productively used, of course, for other than crop purposes—mining, manufacturing, and town and city purposes; and much of it has no known productive possibilities. But after the most liberal allowances, it is evident from Colonel Owen's map, that the area of unused productive land in the United States challenges the power of the most expansive imagination.

The figures upon the basis of which his map is drawn, Colonel Owen obtains from the latest reports of the Department of Agriculture, and this is his editorial comment: "These estimates and comparisons are made for the purpose of showing that all the acres tillable in the older States are not yet tilled, and that the time when hunger need crowd men to the wall is still very far away. So long as the tilled land can be massed together in an area less than one-sixth that of the entire country, the chance to gather sustenance from the soil is good, and the opportunity to till new fields amid the old is yet present. The land hunger that is urging men to stake their future on poor and untried lands exists, not because of a lack of land, but because the land already under ownership has too many idle, speculative acres. This map and its accompanying figures are specially commended to those who seem to think that the limit of production has been about reached in the theoretically tilled portions of the country, and are therefore vigorously and nervously promoting the extension of our tillable area, in the apparent belief that great haste in that direction is necessary to avoid dire disaster to consumers of farm products on the one hand and to "landless farmers" on the other—landless because there is too little land to equip every would-be farmer with an adequate farm, in popular estimation. Than expansion of tillable area, concentration would be a much sounder economic policy. Contracting area would inevitably lead to larger yields per acre from fewer acres, which, in turn, would lead to denser rural population with its inevitably lower per capita cost for maintenance of highways, bridges, schools, churches and other things, and enor-

mously reduce the transportation tax which both producer and consumer are compelled to pay now."

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A Significant Speech.

George L. Record, leader of the "New Idea" Republicans of New Jersey, made a remarkably significant speech at Passaic recently, which the Daily News, a Republican paper of that city, reported in full. It was especially significant with reference to the land question which, now convulsing the politics of Great Britain, is in evidence in many influential ways in the United States. Mr. Record characterized it as the most important of the four problems he discussed in his speech. "The fundamental defect of our civilization," he declared his opinion to be, "is the mistake of applying to land, which is the gift of the Creator, the same law of private property that we apply to things which man creates by labor." From this fundamental doctrine, Mr. Record went on to say that private property in land "enables one man to absorb without any return the earnings of those who directly or indirectly use the land thus owned;" that it "also operates to hold vast tracts of land out of use which, if opened to actual productive use and the idle and the underpaid labor of the country applied thereto, would result in a large increase in the total annual wealth of the country;" that the "coal trust has absorbed legal title to all the anthracite coal mines in Pennsylvania" and "a very small part of these mines only is worked;" that if "in time of panic and enforced idleness a lot of idle workers anxious to work and unable to find work, go upon this land, either to extract coal or to use the surface for the production of a crop thereon which would add to the wealth of the world and enable them to earn a living, the law steps in, brushes them off the land and compels them to stand in idleness and poverty and want in the very presence of the land which their enforced idle labor could utilize for the production of wealth that would satisfy all their wants." Most truly did Mr. Record conclude that "the utter imbecility of such a legal theory is apparent to any man who will give it the least thoughtful consideration." Turning to the moral aspects of the question he denounced the system as "the simplest and the baldest form of robbery known to the law;" as a system whereby "a few appropriate the earnings of the many," in effect compelling every industrious man "to fall among thieves and to submit to the robbery of a part of his earnings." His favorable allusion to the single tax