
NEWS NARRATIVE

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article, on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

Week ending Tuesday, February 14, 1911.

Conservation of Alaska Coal.

Gifford Pinchot, as president of the National Conservation Association (p. 12), made a public statement on the 5th regarding the Alaska coal fields, which appears to have received such scant attention from the newspapers as to make its publication in full in these columns desirable. Mr. Pinchot said:

The National Conservation Association is now and has steadily been a vigorous advocate of the immediate opening of the Alaska coal fields to development under a system of leasing by the Federal government. But any bill for the purpose of developing Alaskan coal under lease should be fair to the people of Alaska and the Pacific coast, and free from "jokers" favorable to the special interests.

The Nelson Coal Leasing Bill (Senate Bill 9955), reported with amendments on January 30, is unduly favorable to the special interests both in its open and its concealed provisions, and leaves the consumer of coal wholly without the protection against extortion which it pretends to give him.

If the Morgan-Guggenheim syndicate should succeed, directly or indirectly, in leasing the coal lands covered by the Cunningham claims under the royalty fixed in this bill, the net profit to the syndicate above what it would have made out of its bargain with the Cunningham claimants would be from \$18,000,000 to more than \$35,000,000, according to whether the whole or only half of the coal was included.

By the official estimate of the Land Office expert, there are more than 80,000,000 tons of available coal in the Cunningham claims. By the agreement of July 20, 1907, between the Cunningham claimants and the Morgan-Guggenheim syndicate, the syndicate undertook to pay merely the cost of mining, as estimated by the syndicate's expert, or \$1.75 per ton, for all coal used by its railroad, and to pay \$2.25 per ton for all coal to be sold to the public. In other words, the syndicate was to get fuel for its railroad at cost, while it was to pay a profit or royalty of 50 cents per ton on all coal intended for the market. As against this royalty of 50 cents per ton, established by actual bargain, the Nelson bill proposes to lease the coal at a royalty of 5 cents per ton. This price is not to be increased during the period of the lease, which is for 30 years. The advantage to lessees under the bill, as compared with the Cunningham-Guggenheim bargain, is therefore 45 cents

per ton, or more than \$35,000,000 for the available coal in the 33 Cunningham claims.

The bill provides that the price at which coal may be sold shall be controlled by the Interstate Commerce Commission, but such control covers only sales made by the lessee. This clause contains a "joker," and leaves the consumer entirely unprotected. All that would be necessary to defeat it would be for a leasing syndicate to organize a selling company, which company, being beyond the jurisdiction of the Commission, could charge the consumer whatever his necessities would compel him to pay.

The clause purporting to prevent transportation companies and their stockholders from being interested in any lease is made futile by the absence of any provision for its enforcement or penalty for breaking the law.

The bill does not provide for the classification and disposal of coal in Alaska according to its value, as is now provided by law for government coal in the United States. And it limits for 20 years in advance the maximum royalty the people of the United States can receive, and fixes it at a fraction of its true value.

Other provisions of the bill are undesirable, but these are sufficient to show that it must be radically amended before its passage would be safe. As it stands, the bill is a most unfortunate example of the legislation so common in the past, under which at every critical point the people get the worst of it.

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The American Single Tax Tour of Joseph Fels.

Accompanied by Daniel Kiefer, chairman of the Fels Fund Commission (vol. xiii, p. 761,1145) and part of the time by W. G. Eggleston of Oregon and Robert L. Scott of Winnipeg, Joseph Fels (vol. xiii, pp. 1087, 1099; vol. xiv, p. 42) has been making a tour of the United States (p. 12) with a view to promoting favorable sentiment and action along the lines of land value taxation as advocated by Henry George. His tour began early in January at Cleveland, where he spoke to a large and enthusiastic audience over which Tom L. Johnson presided. With intermediate stops, he has addressed audiences in Toledo, Detroit, Chicago, Champaign (at the State University of Illinois), Milwaukee, Madison, Minneapolis, St. Paul, Winnipeg, Regina, Calgary, Edmonton, Vancouver, Victoria, Seattle, Tacoma, Portland and San Francisco.

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At Vancouver Mr. Fels was entertained at a public luncheon by the Mayor, L. D. Taylor, which was attended by nearly 200 representatives of this object-lesson city of Canada. Among the guests were Joseph Martin, formerly premier of British Columbia and now a member of the British Parliament. The principal subject of discussion here was the fact that Vancouver has carried land value taxation to the point of taxing nothing else, as Mr. Fels explains, except liquor

(which is a Dominion tax) and dogs, "because Vancouver doesn't like too many dogs."

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At Portland the principal subject of discussion was the campaign already begun for the adoption of exclusive land value taxation by the counties, which is made possible by the Constitutional amendment adopted by Initiative (vol. xiii, p. 1233) at the election last fall. As reported by the Oregon Journal of January 30th, Mr. Fels said this at Portland on that subject:

If Oregon is as sensible as British Columbia, tax reform will surely come. Other western Canada Provinces are also in line. The tax there is on land, not personal property or buildings, or improvements. The wiping out of all tax on personal property and buildings in Oregon would put the State to the very front in prosperity and increased business. It would wipe out the problem of the unemployed, which you surely have, no matter how prosperous you may pride yourself on being. It will set building and every other industry of the State in irresistible motion. Tax reform, single tax in Oregon, will draw to the State a tide of immigration from other States less blessed with all these good things. With the advantages you have already initiated for setting in motion freedom of opportunity for every man, there should be no difficulty in putting into operation in large measure the single tax at the very next election. The Oregon system of government is all right, and will so continue if it safeguards, as it now does, the rights of the people. The single tax movement in Canada is more advanced than in the United States because it is more concentrated. But 18 months' progress in the United States has been almost past belief. I believe if Oregon adopts the measure of land value tax along the line contemplated at the next election, it will have the result of forcing every other State into doing the same thing, just as the example of western Canada is forcing the State of Washington and the City of Seattle in competition with Vancouver into line. The reform in government already accomplished in Oregon will make it easy to go the full distance in tax reform. I predict that in Oregon Henry George will come first into his own.

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While at San Francisco Mr. Fels spoke at the University of California in Berkeley, before an audience of 3,000. The president, Benjamin Ide Wheeler, in introducing Mr. Fels said:

Henry George may have been visionary, and those who have accepted his doctrine of the single tax may be visionary, but this must be said: From the teachings of Henry George there flows a stream of idealism that seldom has been equaled. Wherever you find single taxers you will find men and women who are interested in what is going on in the world for reasons other than personal reward. They are earnestly seeking the good for its own sake, and for what they believe to be the good of the country. Their doctrine is simple, yet it is far-reaching. It is far-reaching because it is fundamental. This doctrine

is generally opposed by the entrenched interests; and for myself, I confess that I have a lurking desire to be on that side which is opposed by those interests. About thirty years ago Henry George delivered his message to the world, and, speaking from the very spot on which we stand today, gave the reasons for the faith within him. I am glad to be able to introduce an earnest man who is a devoted champion of that message and that faith, embodied in the philosophy of the single tax as enunciated by Henry George.

Mr. Fels is reported to have made a happy address, dealing with the advance of the single tax doctrine and practice with special reference to western Canada in general and the city of Vancouver in particular. He showed that Vancouver, by the exemption of buildings and all property created by the hand of man, had outstripped its rivals so rapidly that Victoria, which was nearly half a century older than Vancouver, has been compelled to adopt the single tax plan in order to save its fame as the metropolis of British Columbia.

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At a dinner at the "Old Poodle Dog" restaurant, San Francisco, on the 4th, where James H. Barry presided and James G. Maguire, Richard I. Whalen, Joseph Leggett, P. J. Healey and Fremont Older were among the speakers, Mr. Fels gave this account of one of his "adventures in philanthropy":

One day while making a business visit to my home in Philadelphia a real estate agent named Yokum called and said he could get 11½ acres of land in West Philadelphia for \$37,500, and wanted to know if I wished to invest. It happened that I had seen the land, so I said that such horrible red clay land couldn't tempt me very much. But Yokum pointed out that this land would soon 'come in,' as the real estate men would say. That is, the city was about to move out that way. So I bought it. Then, all at once, I resolved to go into the business of being a truly good and charitable person at the expense of my neighbors. I wanted to get into the class of benevolent and beneficent individuals. So I sent for the agent of the single tax club that is composed of men and women who are pretending to do something for the relief of the poor by encouraging them to grow garden truck on vacant lots, but who in reality are seeking to draw attention to the land question and its bearing on the problem of making a living. When I told this representative of the single taxers that he could have the use of 11 acres of my land absolutely free of charge, he almost fell off his chair, and was about to hasten away to tell the joyful tidings. But I halted him with the warning that this offer had a string to it; that there was something he would have to do in order to get my land. The poor fellow immediately looked as woe begone as if all his best friends had died. "All you have to do," I continued, "is to go to the newspapers and give them a column article telling what a benevolent man I am, and all that, and get my picture in the paper, and praise me as one of the truly good and charitable men of the country." Then he was radiant again.

That was easy, and soon my fame was noised abroad as a philanthropist. You see, I insisted on this because it was part of my little joke that I intended to spring when I got ready.

After 44 men were put to work on my land planting vegetables I resolved to do another charitable thing, so I sent for the secretary of a young ladies' association which was formed to provide vacations for deserving working girls, and told her that her society could have the use of the old mansion on my land free of charge; all they would have to do was to paint it up, paper it and furnish it at their own expense, and in addition tell the reporters, so that I could get another blast from the trumpet of fame as one of the truly good. All this was done as before, and the churches were after me to fill their pulpits and tell the people how it feels to be a philanthropist. But I declined. I was not ready to spring that joke.

Men are still planting vegetables on that land free of charge, and the old mansion is filled with happy young women who, if they had not this opportunity, would be deprived of recreation and rest; and all the time the people are praising me for my generosity.

Now I am ready to spring that joke. I was offered \$50,000 for the land, then \$75,000, then \$100,000, and finally \$125,000; but I am still holding, and will continue to hold until I get a profit of at least \$90,000, and this I will devote to a special fund for the propagation of the single tax philosophy. Yokum's judgment proved sound. The land "came in" even sooner than I expected. The reason is that a street railway has been run past it, and nearly 3,000 new homes have been built in the neighborhood by thrifty and desirable citizens. This unearned increment, in justice and right, belongs not to me, but to the community. I have done nothing to make that value. My part has been to hold the land out of best use. Yet the profit is mine legally, and I have some consolation from the thought that I intend to expend it in such a way that conditions may be changed, to the end that neither I nor any other man shall have the power to make money out of the work and sweat of others. I shall do my part in this work by devoting money and efforts to disseminating the truth concerning what some of our opponents speak of slightly as "the single tax," which some refer to lovingly as the economic philosophy enunciated by Henry George, and which I call plain justice.

With the help of that Great Power to which all must bow, I want to have it said when I leave my work here below that I have done something for my fellow men. I want to have it said that I earned the right to live and work, and that I earned the right to rest. I want to do my duty by myself and my fellow men by helping to bring about conditions better than now exist. I would have it so that little children would no longer starve, and mothers weep and fathers groan under the burdens caused by land monopoly. Now, who will help me?

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Before leaving San Francisco for southern California and then eastward, Mr. Fels and Mr. Kiefer issued the following address under date of February 10:

In Vancouver, B. C., we have seen the evidence

that industry thrives and disemployment decreases, as industry is untaxed and all public revenue is derived from a tax on land values.

In Victoria, B. C., a referendum held January 12, 1911, on the question of abolishing all taxes on buildings and other improvements, was carried by a vote of five to one. That is, 80 per cent of the voters are in favor of the single tax.

The Hon. Richard McBride, leader of the Conservative party and Premier of British Columbia, says he is heartily in favor of the single tax for municipal purposes.

There is no tax on personal property anywhere in the Provinces of Manitoba, Saskatchewan, Alberta, and British Columbia.

In the Canadian Provinces of Manitoba, Saskatchewan, and Alberta the majority of the business men and farmers favor the single tax as the only way to economic freedom. In these Provinces there are no taxes on farm buildings and other improvements. American farmers are pouring into these Provinces—at the rate of more than 140,000 a year—to get cheaper land and to avoid the American taxes upon industry.

Those who desire further information upon this subject should address Joseph Fels, Philadelphia, or Daniel Kiefer, chairman of the Fels Fund Commission, Cincinnati, Ohio.

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Work of Progressive Republicans.

The Progressive Republican League (pp. 79, 129) is emphasizing that part of its program which relates to popular nominations of President and Vice President through the Oregon plan. Its adoption by as many legislatures as possible is to be urged immediately, so that it may be widely operative in the next Presidential year. Since the only objection thus far offered to the Oregon plan in this respect is that every State will endorse "a favorite son," an amendment is in preparation providing for a second choice, so that the people of each State may name the "favorite son" as first choice, and someone else as second. The Oregon law enables the voters of a party at the direct primary to express Presidential and Vice Presidential preferences, and requires delegates to national conventions to respect the preferences of their party constituents.

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Statehood for Arizona.

The people of Arizona voted on their Statehood Constitution (vol. xiii, p. 1212) on the 9th. It is reported to have been adopted by an affirmative vote of 3 to 1, but the exact figures are not yet at hand. Despatches of the 10th from Washington state that "United States Senators Bourne, Bristow, Brown, Clapp, Cummins, Dixon and La Follette have given assurances that in so far as their voices and votes may tend to prevent, 'Arizona will not be deprived of Statehood because of the Constitutional popular government features, particularly the Initiative and Referendum and Recall.'" Digitized by Google