

Special Number for Germany

THE SINGLE TAX REVIEW

A Bi-Monthly Record of the Progress of Single Tax and Tax Reform Throughout the World



"Gentlemen, the industrial situation of Europe is critical. Let us discuss it calmly, let us offer suggestions, let us see if the question is capable of simpler definition."—Emperor William to representatives of the assembled powers in 1890.

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Special contributions to this number from the Leading German Land Reformers.



Covering phases of Advance in Land Reform in the German Empire.



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SINGLE TAX REVIEW

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THE DRESDEN CONFERENCE OF LAND REFORMERS, JUNE 4-7, 1911
(See page 56)

THE SINGLE TAX REVIEW

A Record of the Progress of Single Tax and Tax Reform
Throughout the World.

OUR DOCTRINES CLEARLY STATED.

EXTRACT FROM ADOLF DAMASCHKE'S BOOK, "BODENREFORM" (LAND
REFORM) PAGES 56-65 OF 6th EDITION, PUB. JENA 1912.

(Translated for The Review by Grace Isabel Colbron.)

(The German Bodenreformers do not always get as close to the orthodox Single Tax doctrine as Mr. Adolph Damaschke does in the admirable statement that follows. The American Single Taxer would state it in terms not essentially different. If Mr. Damaschke does not give it a wider application it is because he is confining himself to one phase of the teaching. His presentation of such phase leaves nothing to be desired. Just a word of qualification of paragraph in which Mr. Damaschke says regarding the tithe paid for the use of land and water: "It was in a certain sense wages paid to him for his protection of the laborer from outside foes." In case of attack from neighboring feudalities it was the laborer who did most of the "protecting."
—EDITOR SINGLE TAX REVIEW.)

Before we formulate the answer which Land Reform has to offer to the social problem, we must sharply define the terms to be used. Much misunderstanding in the field of economic science is due to the indefinite and often times contradictory use of many words.

Three factors are necessary in all production; land, labor and capital.

For the land reformer the term "land" includes all created natural resources, all creation in fact, with the exception of Man himself. It is the field on which alone man can employ his labor; it is the source of supply from which he must satisfy his need; it is the raw material which his labor shall turn into the finished product.

Under "labor" the land reformer includes all work, manual or mental, the entire sum of all manual and mental activity which is occupied in the production of wealth, or of powers intended for the production of wealth.

More difficult it is to define the idea of "Capital." The leading economists, Smith, Ricardo, Stuart Mills, Marx and others, differ widely in their definition of this word. Land reformers have the clearest definition in that they say: "Capital is that part of the wealth produced by the application of labor to land, which is not intended for immediate consumption but which

is utilized either as raw material or as tools of production, in the production of other wealth. Capital, therefore, is not a natural source of wealth such as land and labor, but it is a tool of the human mind by means of which labor may be made easier and more productive. Capital is a stored-up result of labor, intended to be utilized in future labor. It is therefore impossible to consider land as Capital. As a general thing, we may include under the term capital: places of work, raw material, tools, machines, &c.

Land reformers understand that this sharp differentiation between capital and land is not fully understood today to any great extent. But they have a right to demand that the definition given by them should be respected, and that their arguments should be understood to be based upon this definition. Land and labor are essential to all human occupation, and in modern economics capital enters as third factor.

Labor, land and capital therefore, divide between them the result of all human endeavor. The portion given to labor is known as wages. In this sense it is immaterial whether we speak of manual or of mental labor, whether the wages be paid by an employer or be the actual result won by a man working for himself. In the economic sense wages is the term for the return accruing directly to labor of any kind, in contra-distinction to the return for use of the land.

That part of the wealth which is given in return for the use of the land or of other natural resources, is known in this connection as ground-rent. It must be understood clearly, in this connection, that any return for improvements to the land, for buildings, etc., is not ground-rent but belongs to the return for use of capital.

The return for the use of capital, of raw material and of tools, is known by the term interest. This term also is liable to misunderstanding, as the colloquial use of the word has quite another meaning. But to understand our further arguments it is necessary to keep the difference in the meaning of these three terms very clearly before our mind. That which is ground-rent can never be either Wages or Interest; and that which is Interest can never be either Wages or Ground Rent.

The social problem, the pressing problem of today, can therefore be formulated in the economic sense, into the question: "Is the division, or the distribution of economic wealth into its component parts, ground-rent, wages and interest, a just and natural one, or is it unjust and unnatural?"

How is this division of economic wealth brought about today? Of course, we must understand that in a great many cases the owner of labor and capital, or of capital and land, or of labor, capital and land, may be one and the same person. But to understand the theory correctly it is necessary in every case to make a sharp distinction: For labor—wages; for capital—interest; for land—ground-rent.

How is this division made today?

A concrete example will give us the clearest answer. Let us imagine ourselves a thousand years back in history. Where our proud city of Berlin

risers today there once stood a little village of the Wends. The Wendish peasant employed his labor either in fishing or in tilling the soil. His capital was his boat, his net, his plow, his house, his raw material. For his work he received wages in the form of a livelihood for himself and his family. The interest that accrued to him for the use of his capital, was, we may be sure, sufficient to keep this capital in good condition, that is to mend his nets, his plows, etc., so that they were capable of continuing to assist him in the production of wealth.

For the use of the land and the water, he was obliged to pay a tithe to the community or to the feudal lord. But the latter was responsible for military service, so that the tithe paid to him could hardly be called pure ground-rent. It was in a certain sense, wages paid to him for his protection of the laborer against outside foes.

A thousand years of human work, a thousand years of wonderful progress, lie between that little fishing village and the great city of today. The productivity of human labor has increased to an extent beyond the wildest visions of a former age to conceive. And the result? What have labor, capital and ground-rent won for themselves in this great advance?

He who is dependent upon the wages of labor alone, finds himself in scarcely better position today than he did a thousand years ago. In fact we might say that he is not as well off today as then, because of the uncertainty in the opportunity for employment of labor such as was never known in a former age. And consider also the housing conditions which are the lot of hundreds and thousands of those who live by the labor of their hands alone in this city today. There are 41,991 dwelling-places consisting of one room alone, in which live at least five and sometimes more people—by this we can see that labor has inherited very little of all the tremendous advance in human civilization.

Capital, which serves labor in the form of machines, tools and raw material, when we consider the risks which it has to carry today, has also won for itself a scarcely greater portion of the wealth produced than it did in a former age. Any large enterprise of today yields to capital alone a comparatively small profit in return for the tremendous risks to be taken.

Where then is the difference? What is it that has absorbed the tremendous increase in wealth and productive power? The answer is easy. The economic factor, ground-rent, has absorbed all. This little piece of flat sandy soil, on which the city of Berlin stands today, soil that a thousand years ago was absolutely valueless, has now an actual value of six billion marks. Now if we should take the ground-rent at a rate of 4%, we have the result that the human beings living and working on this soil today are obliged to raise 240 million marks ground-rent yearly,—which means 800,000 marks for every working day in the year. Not until this ground-rent has been raised and paid, can interest be taken for the up-keep of improvements, buildings of all kinds, machines and tools. And from the little left over after this is done, the wages of labor are paid.

This ground-rent today is paid to the chance owners of the land, mainly a few stockholders in the great mortgage banks and land companies. But the ground-rent paid to them is by no means a result of any labor on their part. If we could imagine all the inhabitants of Berlin leaving the city, settling somewhere else, and these stockholders of the mortgage banks and land companies alone remaining behind—would the land of Berlin be then worth the six billion marks?

Ground-rent is the wealth earned by the labor of the entire community.

This then is the theory, the teachings, of the Land Reformers: the ground-rent shall be won back for the use of the entire community, of the community which alone produces it. To each, that which is his. To the individual, that which is the result of his own labor should remain free from any hindrance, from any tribute paid to the community, even for the good of the community. But on the other hand that which belongs to the community itself should be returned to the community. That which labor has produced should not be given to any one, without service on his part.

This is the middle road of Peace between Socialism and Individualism. The ground-rent is social property. Capital and labor belong to the individual and should be left free and unhampered.

This social property, of which ground-rent is the natural source, would make the community rich enough to do away with all involuntary poverty, and would give to every human being born into the community the opportunity of developing his capacities to their full extent. As in any rich family, every child has an equal right to the same education, to the same physical care, so in this rich community which takes unto itself the wealth produced by itself, its ground-rent, every child has an equal right to educational benefits, to mental and moral health.

And in such a community, free from the drag of poverty, capital and labor would be left unhampered to occupy themselves, individually or in co-operation. What new and wonderful developments in productivity might we not see—then when it is possible for every individual to develop his powers in freedom!

The doctrine of Land Reform must not be understood as a solution of the social problem in the sense that after its introduction there would be nothing more to improve, to fight for, to hope for—this would be a condition of stagnation. But the solution which it offers is the first requirement for every correct, organic development of our economic national life.

Mammonism, communism, land reform! The division between the three grows greater daily—they are the banners of the battle of the future. No one who understands that we, all of us, hold the responsibility for the sins of our time can remain impartial in this conflict.

In each camp of course are individuals with honest conviction. Understanding is given to us according to our lights. It is not a matter of knowledge, however, but a matter of conscience, that one should endeavor to understand one's position amid the pressing problems of our time. More than ever

the truth of the old law of Solon holds good today: he is an unworthy citizen who does not make clear his position in the conflict that divides the nations.

Once we have understood how great is our responsibility for conditions today, then comes the great decision, as to how we will take our place amid the social forces. A great many well-meaning people content themselves with the so-called "practical work": coffee or soup kitchens, foundling asylums, sanitariums, or a few low priced tenements. Now of course we acknowledge that any deed, even the slightest, done from the impulse of an honest heart to help others, brings its blessing in itself. But there is great danger that the representatives of the so-called cultivated classes will find such deeds the means of buying off their own conscience. For our duty towards the most important question of today is not so easy.

We must find the basic principle on which to take our position. Here alone do we free ourselves from that miserable indecision which allows so many to follow the cry of the day in the market-place and to waste their good-will in useless loss of energy, ending always in disappointment. In this indecision lies the greatest danger to the proper development of a State, a community. Goethe's word of the dangers of indecision, and the truth that "He whose own mind rests firm on the Truth, builds up the world around him" is as true today as it was when he wrote it out of the store of his rich experience.

With the vision clear before the mind's eye the individual gains strength, courage, power. But only the dreamer and the fanatic will be content to think of the definite goal alone, and to forget the practical going-ahead step for step. As necessary as an understanding of the goal, is the understanding of how to reach it, the understanding of the path that must be taken, of the obstacles to be removed, of the false moves to be avoided. Those are the leaders, who even in the pettiest details of the daily work can still hold the vision before them clear and sure. In their strength of endurance lies the power that encourages and aids others to follow them. With unity in the understanding of the truth must go individual freedom in unessential details—and above all a true comradeship.

At a luncheon given to Joseph Fels in Toronto (Canada), "the tariff issue was discussed with some spirit, but when Mr. Fels switched to open advocacy of the Henry George system of taxation he had the closest attention and universal cheers"—so reports a writer in the *Christian Science Monitor*—one who was there. Canada will lead us yet.—*San Francisco Star*.

WHY TAX A MAN

More for improving land than for neglecting it?
 More for erecting than for destroying?
 More for busy-ness than for idle-ness?

LAND MONOPOLY.

(For the Review.)

By DR. F. KÜHNER.

(Translated for The Review by Grace Isabel Colbron.)

Even Land Reformers are not always clear as to the exact characteristics of land values, or at least they have been obliged to use the customary indefinite terms for them for so long that the true meaning does not always come out clearly.

Monopoly of the land is quite different from other monopoly. All other true monopolies, such as, for instance in the time of Queen Elizabeth, were extended to a great many articles; such as are extended to a great many articles of to-day either by the state or by a private corporation—we think in this regard mainly of such products as tobacco, coal, petroleum, potash—are monopolies of commodities. Now it is not possible, or possible only in the rarest cases, to make a monopoly of any commodity absolute and complete, because if monopoly puts the price of any commodity so high that the great mass of consumers cannot purchase it, they will find something else to take its place. Also the constant advance in invention in mechanical production, brings of itself a substitute for almost any commodity produced. Petroleum for instance can be entirely superseded by the use of gas, electricity, or alcohol; other fertilizers will take the place of potash; other stimulants will be found which will offer the same satisfaction as does tobacco; in some parts of the country wood takes the place of coal and in others, electricity. Even a monopoly of the water power, if it were possible to achieve it, could be rendered harmless by the old Oriental method of cisterns for rainwater.

But land is the one exception. It is not a commodity and nothing else can ever take its place. Had we ten thousand great airships in which we could live high up in the clouds for weeks at a time, this would not change the importance of land one iota—it would only raise the value of those portions of land where the airships were built. No one or more individuals, through their own labor, can increase the amount of land one square yard, unless helped by some elemental force such as the action of water, changing of the coast line, etc. Every monopolized commodity can be carried to market, even houses can be moved, or pulled down and built up again elsewhere—land alone remains immovable. Land has none of the characteristics of a commodity, not even of those natural raw materials such as water, coal, iron, etc. It is not to be produced by human labor, it is not to be moved from place to place, its place is not to be taken by anything else in existence. The possession of it, therefore, is totally different from the possession of any other monopoly.

Why is this, it is asked? When we can buy and sell land, why is it not a commodity? When we pay for it, why has it not a market value?

This question rests upon a fundamental error—the error of belief that we do pay for the land. *Land is not an object* that can or should be bought and sold—that and that alone is its fundamental difference from all other commodities. Land is the surface of our planet—and the surface is not an object—a commodity. Its component parts are sand, stone, soil—these are *things*, are wares which can be moved about from place to place—land of itself cannot be moved. If I were to dig down a yard or two into the top soil of a building lot, take out and send away this top soil, I do not change the value of my lot in any way; on the contrary I increase its value by performing the preliminary labors necessary for building—I therefore do not change the character of the *land* in itself at all. Where it is not the surface itself, in its measurements and quantity, that is of value, where it is on the contrary the material of which it is composed, such as lime, for instance, then we do not reckon the value of that land by its surface measurements but by the depth of the mineral deposit.

To attempt to speak of land as a commodity, is to use an economic term which is empty of all meaning. A bargain in land is not a bargain for an object but for a *right*, the right to use an object, the right to prevent some one else from using it. Therefore when we say “private possession of land,” we mean instead “private right to prevent others from using the land.” Every portion of the upper surface of the earth which is in the possession of some individual, has won thereby a new quality in that others are prevented from possessing it. It is a law-made wall which surrounds it, nothing else. Therefore the land question to-day is a *law* question—a question of justice. Of itself it is not an economic question—it becomes so only in its results.

Every economic object becomes such through necessity, through economic egotism; every right becomes such through use. Now land monopoly shows its true nature in that it can be utilized in the unsocial sense and often is. The majority of feudal proprietors, for instance, act in an anti-social manner, i. e., they do not utilize their land intensively. As in the case of the English landed proprietors they shut it off from all economic use for the purposes of their own pleasure, for hunting preserves, parks, etc. If Capital is left lying idle, the folly of such action is apparent. But to the hunting landlord the care of his pheasants seems more important than economic gain. A German landed proprietor will refuse to sell a piece of his land with the excuse that he does not need the “filthy lucre”—he really means that he will not give up the value of a right for the value of an economic object.

But this is not a complete answer to the question of monopolized land. We must first learn the complete height and strength of the wall that monopoly has built up, for to break down this wall is the task which the Land Reformers have set for themselves.

Now the hunting English lord, and the German landed proprietor who consumes his groundrents in Berlin, will both declare that they are using their land in their own way, and that no one can ask more than that the land, cut off by monopoly, should be utilized. It would therefore seem that the Single Taxers' only opponents are the land speculators who find their profit in the non-use

of the land, who have disinherited others of their right to it, and who out of the need of others look for this gain. Now is the millionaire right when he says: "I am using my park when I ride out in it?" To whom do we land reformers accede the right to use the land?

The land question is a question of right, of law. But for the practical value of this right, and for an understanding of an unlawful use of the earth, we have to take a standard of value—the price which is paid for the right to monopolize. We demand therefore, two things as fundamentals for justice: First; that the land shall really be utilized by the individual who monopolizes it, and secondly; that it shall be monopolized only by the individual who will utilize it most intensively. It is not difficult to find this individual—the highest willing bidder—for he is the one who is willing to pay the highest groundrent to the community. But the community must demand from him that he shall not attempt a utilization of the land which would in its character be anti-social. This can be brought about by building restrictions and similar standards.

(Where in the second paragraph Dr. Kühner speaks of monopolies it is State monopolies which he has in mind; and these are of two kinds, one in which the State has full ownership and the other over which it exercises rights or shares profits. Partnership of this kind is known in Germany in the matter of coal, potash, etc., and in Austria in the matter of tobacco.

Some phrases in this contribution of Dr. Kühner will fall strangely upon the ear of the American and British Single Taxer. Where Dr. Kühner says, "Every right becomes such through use," he has in mind no doubt the legal right. Rights, of course, do not have their origin in law. And when he concludes that the anti-social use of land should be prevented by "building restrictions and similar standards" we need not quarrel with the statement, though such restrictions and such standards would scarcely be needed to prevent the anti-social use of land. For this the police power would seem to be all that would be required in such a social state as the Single Tax would bring about—and little of that. Other statements of Dr. Kuhner, though unusual in form, are for the most part unassailable.—EDITOR SINGLE TAX REVIEW.)

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GRACE ISABEL COLBRON

One of the best authorities in America on the Land Reform movement in Germany and kindred questions of German politics.

(See page 73)

LAND REFORM IN EISENACH.*(For the Review.)***By DR. F. KÜHNER.***(Translated for The Review by Grace Isabel Colbron.)*

Luther's old city is in sore need of dwellings for the working population. Its few unsanitary old barracks are overfilled and rents are very high. There is no one who can suggest any solution for the problem except the Land Reformers, of whom however, there are very few among the municipal authorities. Finally the city decided that it ought to do something: an order went forth to sell small pieces of land and to aid those who would build with loans of money. One Councillor even stated that if the workman who built could sell his place later at an increase, the profit should certainly be his.

But the Land Reformers arranged a meeting in protest, and it was surprising to see how favorably our theory was received. Out of seven speakers, six were against the sale of the land. The City Council followed the trend of public opinion and decided to keep a portion of the land under contract. Certain parcels were to be given for half price for fifty years, then the land would return to the city at the present price, and the city would buy the houses at their assessed value. Both parties to the contract would risk nothing. But it is the task of the Land Reformers to enlighten the workingmen as to the far more favorable aspect of this type of contract over that of complete sale. Once they understand it, they will all demand these terms and the city will be obliged to give all the land in the same way.

This Eisenach type of land contract is very slightly different from that in use in Ulm. The difference lies mainly in the length of the term, in the amount of the loan and in the restriction of the building to three-family houses. The cheapest rent is set at 110 marks a year, the rent to be fixed only after an understanding with the city.

A workman, say 40 years of age, building a house under this term of contract, can leave it to his family until his grandchild has reached the age of forty. In this way we see that the term of 50 years lease is quite long enough. Also there is no compulsion for the city to use its right of condemnation at the end of this period. If these contracts go through the social problem need not worry us quite as much for the next half century as it has done.

IF you will notice none of the leading lawyers of Oregon are antagonizing the Single Tax. It is nearly always a land speculator or grabber of some kind who rushes in to prove that a tax on land values can be shifted to the tenant, and that a cow increases in value in proportion to the number of people within a mile of her.—Portland (Oregon) *Labor Press*.

THE ABOLITION OF POVERTY BY THE RESTORATION OF EQUAL RIGHTS TO THE USE OF THE EARTH.

AN APPEAL TO THE WHITE SLAVES OF LANDLORDISM.

By GUSTAV BÜSCHER, of Zurich, Switzerland.

(Translated expressly for The Single Tax Review.)

IX.

SMALL HOLDERS AND THE TAXATION OF LAND VALUES.

Not only the workers, in the ordinary sense of the term, but all who live by their labor, by service, will be benefited by the Taxation of Land Values.

To many this may seem impossible. For according to the popular Socialistic philosophy the interests of the workers and the employers, large and small, are necessarily and essentially opposed one to the other. According to its teachings, anything that benefits the employers must necessarily injure the employed, and vice versa. But if such teachings were true, then the conditions of the workers, of the employed, should be at their best when those of the manufacturers and "capitalists" were at their worst, the workers should be having a good time when the factories and businesses of employing classes were being shut down for want of orders, and should be having a bad time when business is good, orders plentiful, and the employers are making big profits. But all the world knows that the very opposite is the case.

The well-being of the whole industrial population, employer and employed, depends upon the land, the natural source and opportunities being well and fully used. This is not only true of agriculture and mining industry, but of all trade and industry. For one and all can only be successfully carried on in suitable districts, where either the raw materials of the special industry are easily obtainable, or a ready market is to be found. All such advantages accrue to the land, and materialise as land value, as is proved by the fact that the land value of our towns and centres of industry are far higher than in places having fewer advantages either for trade or industry. The use of land is, in short, the primary necessity of all production and all trade. If all land were taxed according to its value, the land-owner would be compelled to put his land to its full use, or allow some one else to do so. He would no longer have the power profitably to withhold from others the use of land. The Taxation of Land Values would tend to bring the land into the hands of those who can best use it, to stimulate the production of wealth, as well as to ensure a more equitable distribution. For the expansion of industry would not, as now, materially benefit only a few, the fortunate holders of the land upon which alone it can expand, but every worker, artisan, employer and business man.

The opponents of the equal right of all to the use of the earth have one ally upon whom they believe they can unhesitatingly rely, viz., the peasant class. They avow that we will never be able to convince the peasants that they will be benefited by the restoration of the equal rights of all to the use of the earth. Even many who are convinced of the injustice and evil social, industrial and economic effects of the unequal distribution of landed property, are of the same opinion. In Switzerland this view is very wide-spread, since in this country there are no, or few, large landed estates. Indeed, the advocates of peasant proprietorship, as a solution of the social problem, or to serve as bulwarks of private property in land, hold up Switzerland as a model to be imitated. In Switzerland, they tell us, there is everywhere to be found a robust peasantry, well-to-do and contented. In such a country any movement involving or threatening the abolition of private property in land can have no future. But can these eulogists of peasant proprietorship show us a single peasant community in Switzerland where the land is equally or equitably distributed, where the minority does not possess more land than the majority? Can they tell us of a single community where differences in fortune are based solely on difference in industry, economy and skill in management? Have they nothing to say about the hundred thousand landless farm laborers in Switzerland? Are these not men? Are they forever to be excluded from all share in the earth?

In the Berne Canton a return of the ownership of agricultural land was made in 1888, from which time it is certain that no great change has taken place in the distribution of ownership. The official figures are: Land owners, 14,529, owing in all 167,489 hectares (a hectare equals $2\frac{1}{2}$ acres): whereas 60,176 landowners hold 77,730 hectares. Four-fifths of the whole population of the Berne Canton do not own one third of its arable land, while more than two-thirds are in the hands of not quite one-fifth of the number of owners. According to those who uphold private property in land, this is equitable distribution of land in Switzerland! If one sought out from the prisons of Europe all the worst thieves and robbers, and put them to the task of dividing the Berne Canton amongst themselves, who can doubt the division would be more equitable than that which is today imposed and maintained by the laws of a democratic free State. Coun. Dr. Hoffmann writes in "Handwörterbuch des schweizerischen Volkswirtschaft" ("Encyclopaedia of Swiss Political Economy"): "One may assume that the distribution of ownership in the Berne Canton is typical for nearly the whole of Switzerland. As far as is known only the Aargau Canton forms an exception favorable to small land proprietors." In the commune of Stettfurt, which the same author cites as an example of the distribution of landownership, about two-thirds of the population possess only one quarter of the soil, while more than three-quarters is in the hands of the other third.

Would the Swiss peasant have any difficulty in realizing that such a distribution outrages all justice? Would he not readily understand that if equal rights to the land be restored to all he must be the gainer and not the loser?

Is the peasant not incapable of reckoning? Can the peasant not add two and two together? If we establish the equal rights of all to the earth, how is it possible that those can lose who today possess less than is their due by a just distribution? Are we to consider the peasant so stupid that he cannot grasp the difference between wealth made by man's labor and the eternal and indestructible gifts of nature? Should he not be able to see that his poverty arises from the fact that he has too little because others have too much? If these facts are made clear to the peasant, then the eulogists of a robust peasantry who pocket so comfortably the rent of the larger section, the "robust peasantry," will certainly have a rude awakening.

When newspapers and public speakers talk of "a robust and well-to-do peasantry," they mean thereby those substantial peasants whose wealth has generally been inherited or has been scraped together by extraordinary concentration and, too often, lack of scruples. The great mass of poor peasants, heavily laden with debt, and pressed down by care and destitution, are hardly ever mentioned in public discussions. The majority of them have not enough land to secure them a living. According to Dr. Hoffmann, the minimum for the up-keep of a family is four hectares (ten acres). This, however, is only true of fertile soil, which among other purposes allows of the cultivation of wine (grapes). In the Berne Canton, where the growing of wine is rare, four-fifths of the land owners own less than one hectare. And still the lot of the Swiss peasant family would be comparatively happy if they could but keep the yield of their small farm for themselves! As a matter of fact the small farmers of Switzerland are, for the greater part, so heavily indebted that the word "Schuldenbaeuerlein" (indebted small peasant) has become proverbial. According to the researches of Dr. Rusch, the small peasants in the Appenzell Canton are burdened with debt averaging from 70 to 80 per cent. of their property. As the value of the land is nearly always over-estimated, such indebtedness is really tantamount to the peasant owning no property at all. Thus the peasant has every year to pay several hundred francs in mortgage interest, rates and taxes. It is almost incomprehensible how these sums can be extorted from people who have hardly enough land to provide a scanty living for their families. In many cases home work must be undertaken to supplement the earnings of these mortgage slaves. According to a communication that appeared in the newspaper a short time ago, the woman workers in the agricultural parts of Berne Canton have a day wage of from 4d. to 8d.! No wonder that in Swiss peasant villages one sees so few people in full vigor, so many tired and bent, so few faces merry, and so many dissatisfied faces, bearing the imprint of over-work and under-feeding. The worn-out, prematurely aged figures of the small peasants and their dragging inelastic gait speak plainer than any official statistics of their hard fight against misery and want, of how they have been robbed and fleeced.

Private ownership of land was for the small peasants an accursed gift. In many parts of Switzerland and South Germany there are still remains of the old communal ownership of the soil, the so-called Allmenden. The

citizens of these communities have rights to the use of this Allmenden, but these are burdened with conditions which cannot always be easily fulfilled, and which often give preference to the rich man. In spite of all this it is a fact that in those parts of the country where Allmenden exists, poverty is much less prevalent than where land is held as private property. Where, however, the Allmenden is divided up, the citizens are hardly able to pay the poor-rate. It is an irony on the "robust peasantry" and "the prosperous husbandry" of Switzerland that many of the peasant communities are unable to provide the necessary support for their poor fellow-citizens. On the other hand, there is often no need for any poor-rate in communities where much land is still held as the property of the community. The poor man obtains the use of a piece of land from the community, from which he must then gain his living. He is consequently not degraded to an alms-receiving pauper. He need not remain in enforced idleness. He is not in the position of obtaining more the more shamelessly he begs, the more he destroys his self respect; but according as he works more industriously.

Private property in land has not only condemned the peasant to poverty and debt-slavery, but it has also poisoned his moral character, filled his mind with envy and selfishness. He daily sees that unscrupulous selfishness and mean avarice alone will pave the way to fortune, and that every inclination to helpful goodwill, kindness, and generosity must be a hindrance to him. He who cannot maintain himself on his inherited piece of land is lost: he has fallen among the outcasts of fortune, and there is no rising again for him. The high price of land, the difficulty of procuring a suitable piece of soil, and the still greater difficulty of finding a willing seller, make it impossible for the man who has once become landless to work his way up again. Is it any wonder if the peasant is not inclined to generosity or any other good action? Is it any wonder that he seeks jealously to maintain his advantage and his property when in his short-sighted egotism he estimates all men by their possessions? Can you wonder that avarice becomes an hereditary evil in all peasant families, to the exclusion of better feelings, so that children often await with impatience the death of their parents? On the other hand, where, as in the German Allmenden countries, the old folks of the family carry with them a share of the common land, they are, as a German professor recounts, tended with special care, and their children compete with each other in making the evening of their lives as agreeable as possible.

But, it may be said: "Even supposing private property in land to be harmful to the small peasants, it cannot now be abolished. It is impossible to introduce a tax on land values in the country. Where would the peasant be if a tax on land values were piled upon his load of rent? That would surely drive him from house and home?" This may seem to be so, but is not. The nominal owner of peasant land is in most cases only a sham owner, the real owner being a mortgage creditor. The mortgage creditor has a prior right even over the nominal owner. He must first be satisfied from the yield of the plot before the owner can satisfy his wants. The economic rent from

the property in agricultural land goes, in most cases, into the pockets of the mortgage owners and for the peasant there remains, in good times and in bad, only so much as the favor of circumstances permits his labor to produce. The peasant is therefore not a receiver of rent, but a payer of rent. A tax on the rent of land must, therefore, rather improve his position than make it worse.

The value of land in the country has been so enhanced by the great demand that its rental value only represents 2 to $2\frac{1}{2}$ per cent. interest on its selling value. But the peasant has to pay 4 to $4\frac{1}{2}$ per cent. interest on his mortgage. On an indebtedness of only 50 per cent. of the capital value of the land, the mortgage interest and taxes already absorb the whole rent.

The great majority of the small Swiss peasants are still worse off. Their indebtedness is on the average much higher, and therefore the peasant must even make a contribution from his wages in order to satisfy the mortgage owner.

Has the peasant anything to lose if the mortgage owners are forced to bear their share of these burdens of his? To-day there remains in the hands of the peasants only a small part of the gigantic sums which they raise to meet mortgage interest and direct and indirect taxes. The biggest part finds its way into the pockets of the mortgage owners living in towns, and another big sum is pinched by direct and indirect taxes, which (likewise with rent) serve to make the rich richer and the poor poorer. If the rent be taxed, then this pernicious state of things will be radically changed for the benefit of the peasants. The rich harvest of economic rent will flow into the coffers of the community instead of into the vaults of city capitalists. The peasant communities, which to-day have incessantly to beg support from the State, will then have an abundance of their own. The peasant who to-day knows the community only as an onerous taxgatherer doing him no good whatever would then have help and support from the community which might provide him with cheap capital, besides insuring his stock against illness, his fields against hailstorms, the house against fire, and giving him help in the days of illness, as well as insuring him against unforeseen accident that might rob him of the fruits of his labor. In addition, the community would see that in old age he was not given over to want and poverty.

It is short-sighted and thoughtless to hold that a land value tax must ruin the small peasant. To tax land values is, in fact, the only way in which the community can help the small peasant. The palliatives recommended by the wise men of our State, in order to help the small peasant, "Wash the fur for me, but do not wet it." They want to help the small peasant, but they want to leave untouched the privilege of the mortgage holder. These antagonistic interests will no more assimilate than fire and water. The vital question for the small Swiss peasant is whether he or the mortgage holder shall go under? An institution arising out of justice must not only bear good fruit, but must withdraw the rank weeds of bad conditions from the fostering soil.

The tax on land values would not only immensely improve the condition

of the small peasant, but would also dry up the source of nearly all the evils from which he suffers. Land jobbery, that growing evil of the peasantry, would be immediately ended, because land jobbery is only possible where the prices for land can be arbitrarily driven up. The cutting up of farms in little pieces as well as the stubborn holding up of sites which cannot be of any use to the owner, would also cease. The rage for lawsuits, which involve strips of land a few feet wide would be put an end to. The division of inheritances would not be the cause of disputes and injustice in peasant families as now, for under the taxation of land values it would not be possible to over-estimate the value of land. The business of the country would be enormously augmented. The peasant who desired to obtain a piece of land would not need to advance a large sum of money, but could use his saved capital for the cultivation of the soil and for the purchase of machines and implements. Under the taxation of land values it would be easy for the landless to work their way up by diligence and economy. Poverty and debt, slavery, avarice, and selfishness which to-day press like a deadweight on the peasant's life, would vanish like mist before the sun.

Last century millions of Swiss and German peasants emigrated to America, and still they go, because in America land is cheap, while in the home country it is dear. Where land is open to all, every man willing to work is welcome, and everybody who can earn his bread is his own master.

But most of the free land in America, so long the refuge of the down-trodden masses of Europe, has in the meantime been stolen and appropriated. The wide gate through which the European mortgage slaves could escape their serfdom is becoming narrower every day. The position of the masses in America is sinking more and more to the level of those in Europe. In that country you must now go several days journey by train, through untilled land, before you can reach a place where land can yet be had on reasonable terms (at the price that will yield a fair return).

A second America does not exist. Therefore if we desire to escape from our social misery there is no other remedy than the recognition of the equal right of all to the earth. This reform will help the small peasant at least as much as it will all others who live by toil.

THE fact is, that the great bulk of the personal property tax is paid by the wage-earners and the men of small means, practically all of whose possessions fall immediately under the assessor's eye. The abolition of the personal property tax would benefit them above all others and correct a gross injustice. It ought to be abolished.

Seattle proposes to abolish that tax and all others but one, and raise its revenues on the value of the land within its limits. It proposes to apply the Single Tax. It has seen Vancouver try the policy with signal success. Should the amendment carry, it will be interesting and profitable to watch results in Seattle.—Los Angeles (Cal.) *Herald*.

WILLIAM II AND HENRY GEORGE.

(For the Review.)

By POULTNEY BIGELOW.

The SINGLE TAX REVIEW has paid me the compliment of requesting a few lines regarding the revolutionary doctrines of Henry George and their first practical application in China in the reign of His Majesty William II. by the grace of God King of Prussia and Emperor of Germany.

We live in a world of paradox—I had almost said, in a world of lies—largely because the so-called organs of public opinion are frequently more interested in selling the advertising spaces of their papers than in telling truths which do not flatter the intelligence of their readers. The people are educated from childhood in certain pre-conceptions regarding China and these are strengthened by many of those who draw salaries from the churches of the United States and who are trying to convert the Chinese from one set of unsupported dogma to another. Many of these so-called missionaries to the heathen are inferior mentally and morally to the people whom they insult by their attentions and when they find that they are treated with merited contempt by the educated, God-fearing section of the community, the best they can do is to send home lurid pictures of alleged cruelty, vice and debauchery—just the sort of stuff that a Chinese resident of any American city could send home to Canton or Shanghai had he come to us as a missionary with a Buddhist salary.

My first visit to China was in 1876 and my fourth was made two years ago. I drew no salary for what I did and used my ears and eyes as any wide-awake traveller might when going abroad in search of information. No one not blinded by strange prejudice could fail to see that China represents a thousand years of self-government superior to anything ever attained in this country. Our Bible says, "Honor thy father and thy Mother," but we Christians obey this rule in a manner that would seem strange to an Oriental and our laws permit if they do not encourage, the disintegration of family life. The word "China" means to me millions of self-governing communities, each headed by its family patriarch and each managing its internal affairs according to family tradition. I venture to hold the opinion that family life is as pure on the banks of the Yang-tse as on those of the Hudson; that the Chinese are as well protected in their life and liberty as we of the ballot box; that crime is less common among them than among us, and, if my experience counts for anything I have travelled alone in different parts of China with less apprehension for my safety than in several sections of my own country, both East and West.

The Chinaman, as merchant, banker, contractor, artisan, shopkeeper, and practical philosopher, has no superior in the world, and as for personal



DR. WM. SCHRAMEIER
Imperial Commissioner for Kiautschau
(See page 55)

honesty, there is more pilfering by servants in one hotel of New York than in all the treaty ports of China put together.

What of it?, I hear you say. Only this, that there are no surprises in history for those who study the steps in historical development. The Chinaman who today astonishes the world by proclaiming a republic in the land of bandaged feet, pig-tails, pagodas and other emblems of official backwardness is the same Chinaman whom we in our conceit exclude from citizenship and whom we have alternately shuddered at as a monster or sneered at as a pitiful survival of pre-historic helplessness. For a whole generation missionaries, merchants and diplomats have seen nothing but the surface or the scum of Chinese life, and our press has published and re-published the stale yarns which seem to grow spontaneously in the hotels and club rooms where globe-trotters resort and write their naive impressions of the world's mightiest Empire.

The German Emperor is a Chinaman in so far as he has successfully deceived the world regarding his true character. On the surface he appears a mediæval knight with cuirass, helmet and threatening sabre in his "mailed fist." He publicly repudiates allegiance to any law save that of God Almighty who has called him to the sacred task of ruling Germany. The press knows him as a War-lord, impatient at any constitutional limitation and muttering to his ministers "*Sic volo sic jubeo*." His last sensational appearance in our press is one whose background setting would be a Court of Impeachment if not a guillotine had we in mind England or France. Germany has elected to her Imperial Parliament a very large proportion of Socialists who, but a few years ago, were regarded with horror as outcasts of society. The Emperor had publicly branded them as tramps, vagrants, men without a country, and their chief illustrated organ "*Simplicissimus*" was forbidden at every railway stall in Prussia. Today a Socialist is elected to occupy the Speaker's chair of the Imperial Parliament and the Constitutional Head of the State repudiates him, and in appearance gives public notice that he may nullify the organic law of the Empire if it suits his personal mood.

All this has to do with the external Emperor, and if we deal with externals only, we may be led astray—as we have been about China.

William II. is a Socialist—he is the greatest socialist on earth. He has no quarrel with socialism, but he very properly resents the mixing up of socialism and politics. Socialism has to do with the welfare of one's country—possibly of all countries. Politics has to do only with success at the next election. Roosevelt is a politician—William II. is a patriot.

About forty years ago, when I lived in a German family, fitting for an American college, I saw something of "young Prince William" as he was then called. Boys are not easily fooled by one another, and the impressions of childhood are apt to be not only lasting but remarkably accurate. The Emperor is no demagogue. He loves the applause of the world almost as much as our two competing Presidents. Yet, closely as I have sought to follow his public career both before and since coming to the throne, I have never

caught him playing the demagogue or deceiving by false promises. He has made mistakes of judgment, or rather he has been the victim of time-serving Ministers who had not the courage to oppose him, but throughout his quarter-century of Imperial rule he has been not only faithful to his pledges regarding the maintenance of peace, but he has never forfeited the highest title in my vocabulary, that of gentleman.

Now then, compare the real China and the real Germany, and you have in each case an outward shell of monstrously mediæval monarchy, but beneath it all a people of high family ideals, self-sacrificing loyalty towards those in authority and throughout the masses the basic elements of local self-government and love of personal liberty.

The German Emperor has been reared in a political atmosphere where the great problems discussed by Henry George are solved not by an appeal to party expediency or interested bosses, but by a cold scientific study of what is good for the State for all time. William II. has, I believe, read and pondered Henry George's monumental "Progress and Poverty," and it is no small credit to him and to the administration of which he is the head, that the first practical application of Single Tax principles should have been made in the Province of Confucius when Germany organized Kiao-Chow in 1897.

To say that Germany is fifty years ahead of this country in what is best in Socialism is to state the matter with great moderation. While New York deliberately destroys the fish which once swarmed in the Hudson river; while it even burdens the tax payer in order to waste the most precious asset of the farmer, the fertilizer of his fields, Berlin utilizes all its sewage and street sweepings by enriching farm after farm in the suburbs and in keeping the river which flows through its streets so clean that all may drink from it with impunity, and fish are so abundant that the people profit enormously from this source alone. The most beautiful river in America is now little more than a national sewer. The cadets at West Point are no longer permitted to swim in our filthy waters; typhoid fever is endemic in nearly every town of the Hudson valley; many of her cities fill their reservoirs from this tainted source and wonder that even filtration does not protect them from the disease that follows naturally in the wake of organic filth. In a State ridden to death by medical fads, Boards of Health, butchers of the appendix and pseudo-scientists who torture God's human creatures and escape the gallows because they have bought a degree or permit to murder—in this State our streams are everywhere so foul with sewage that even the cattle refuse to quench their thirst as once was customary, and the only industry still flourishing in spite of persistent pollution is that which fills gigantic ice-houses with frozen sewage and peddles it about the streets of New York as pure ice from imaginary mountain lakes.

Germany has solved a dozen vital questions about which our highly paid politicians are pretending to wring their hands in despair; and moreover the reforms which Germany has made since my boyhood are nearly all socialistic in the best sense and conducive to the happiness of the whole people rather than for the enrichment of a favored few.

The Kaiser's government gives the people better railway service, better postal service, better telegraph service, better trolley and tram-car service, and above all furnishes a national express or "parcels post" very much more efficient than anything we know in America, and at about one-tenth the cost in this country. These are all a species of partnership between the Government and the people. The list could be lengthened to include most admirably conducted municipal markets, municipal laundries, municipal street-lighting and in fact nearly every form of enterprise which with us tends to become a trust or monopoly very profitable to a few, but unjustly burdensome to the people at large. The spirit of Henry George is abroad throughout Germany and while we are not of those hero-worshippers who look for salvation to any one man alone we yet recognize the propriety of giving credit to Napoleon for the French Code which bears his name. We cordially assent when the venerable William I. is called "the founder of the German Empire," and therefore, to the same degree, we deem it right that in any future record of the phenomenal progress made in our times by humanitarian ideas such as those for which Henry George lived in poverty and died in the agony of social crucifixion—I repeat that if credit is due to any one man for progress if not revolutionary legislation, precious in the highest degree to the man in the workshop and on the farm, that man is the one who now rules over the most scientifically governed State of modern times.

LAND HISTORY OF THE AMERICAN COLONIES.

(For the Review.)

By THOS. L. BRUNK, B. S., M. D.

CHAPTER III (Continued).

But what were the beneficial effects of this land division upon New England society? Was the results such as we should emulate at this time when the enormous holdings of the Weyerhaeusers and Morgans and Guggenheims and Rockefellers and Millers and Ryans and Hills with all their vast corporations and syndicates, are crumbling the last vestige of freedom inherited from these sturdy sons of liberty? Had these shrewd forefathers possessed a keener insight into the serious defect in their land transfer plan and less of religious intolerance they would have prohibited the private sale of lands and introduced some such system as is in vogue in New Zealand to-day. Evidently their hearts and purposes were right and sound, but as with many zealous peoples who have earnestly sought a panacea for poverty and its attendant evils, this long approved custom of private ownership prevailed in a modified form and to them seemed to forbode no ills to society.

To this system can be accorded, first, the triumph of a citizenship of

splendid character and high principles of honor. Impelled quite as much by a lofty sentiment as by a deep conviction, they wielded the ballot as a sacred and exalted privilege from that day down to the time of Lincoln; also with such uprightness of purpose that New England could claim the honor of being the hope of the nation. This people professed a belief in equality of opportunity and by founding a state in which this belief was enacted into a fact, they amazed philosophy and confounded precedent. Weeden observes that their land system "formed a social compact, a genuine neighborliness, and developed in the highest degree the sense of mutual protection." It gave everyone the ideals of social intercourse, and "the sympathy and power of common interest." It freed men and women by loosening the bonds of service that prevailed under the old European land tenure, and at the same time bound every citizen by a closer mutual dependence."

Therefore in considering the lowest political unit of these people, the Town Meeting, the place in every settlement where all the males to whom land had been allotted, gathered to thrash out questions even of the most trivial nature, we find that the essential force was in the character of those who met. For the purity of their government, for the absence of fraud, bribery, intrigue, and corrupt officials (the commonest by-words in this age of political graft), the historian says credit must be given three elements that made the Town; namely, "freehold land, a meeting expressing the religious and family culture, and a representative democratic gathering."

The duties of citizenship weighed heavily upon these men. Penalties carefully elaborated forced every one to act. Fines for absence from Town Meetings were universal, and they were enforced. There was an intense desire to make everyone do his part. Office was given, not sought, and must be taken. Freedom and liberty meant to these men the working out of a life soberly, restrained by the will of the majority. Their rule was the seeking the greatest good to the greatest number. There was no estrangement and hatred of one class against another in State affairs. They all stood as a unit, for the reason that there was nothing in their distribution of wealth or policy of government to provoke dissensions or to tempt them to commit perjury or offer bribes or commit any breach of public trust. In Virginia, on the contrary, venality and corruption in public office, the exorbitant salaries the Assemblymen voted for themselves, and the loss of their vote because they were landless. Virginia was ruled by the landlord class. In no part of New England history do we find any general discontent expressed by the people. There were no paupers to speak of, and the "few existing under the favorable conditions of life in their towns were made comfortable and supported carefully at the public expense." Corruption in office and burdensome oppression were unknown, and every man not a servant or apprentice had a vote.

In every New England town a special plot of ground was set aside for a school, and beside the regular day schools, much like our public schools of today, they had industrial schools where children could learn to spin flax and the mother to weave it into cloth. In some cases the town loaned money to in-

dividuals to enable them to start the manufacture of some article of pressing public need. This was done to get wool-carding wire made in this country. The New Englander did not indulge in luxuries. He made most of the necessities at home, and even supplied Virginia and other colonies with his manufactured products; therefore he did not allow his wealth to flow to England in buying imports of silks and liquors as was so extensively done in the southern colonies.

Another beneficent outcome that can be traced to the equal-opportunity land system of these people, stimulating thrift and industry, is the notable fact that chattel-slavery found a poor soil in which to grow. While the sea-faring traders of the cities were induced to engage in the slave trade because of the immense fortunes the English were making by the traffic, they were not successful in selling the captives to the farmers of New England. The first argument used was that "the capital of a community was diminished in buying a slave, while it might be increased by a free servant coming in owning himself." There was wisdom in this argument, since slaves sold for from \$150 to \$400 each in the latter part of the seventeenth century and somewhat higher in the eighteenth. But it must be noticed that it was not conscientious scruples that prevented chattel slavery being generally introduced. "The Winthrops and other Puritan colonists received Indian captives for slaves as freely as any partisan went for loot or plunder." Cotton Mather, the great preacher of his day, "employed his black servant, showing as little regard for the rights of man as the Boston merchant quoting negroes like any other merchandise."

What little slavery there was, they managed as humanely as such a system could be managed. "Negroes were not confined absolutely to the work of their masters, but could work part of the time for themselves, and in some cases "scraped together" 200 or 300 pounds, and went back to Africa to live in comfort!" "Slavery was a small factor in New England, because economic laws forbade its growth." This simply means that the division of land, giving all who wanted to make an honest living the opportunity, created a thrifty and industrious people who found more happiness in working the soil with their own hands, even as Governor Winthrop did, than by sitting in the shade with glove-covered hands watching and directing the untrained labor of a negro. The only place where negroes were employed was in the cities where marine wealth was accumulating. Its introduction dates also from the time (1720) when the three-story brick mansions of colonial architecture began to appear, due to the wealth of such men as Peter Faneuil, who had at one time forty vessels engaged in the coasting trade, and consisting in large part of slaves from Africa. Faneuil Hall, built by him in 1740 (in the same spirit as Mr. Carnegie in recent years built libraries as a salve to conscience), was not only the "Cradle of our Liberty," but a monument to the wealth derived from the iniquity of the slave trade.

While John Adams said that the reason why Massachusetts abolished what little slavery she had, "was the multiplication of laboring white people who would no longer suffer the rich to employ these sable rivals," the true cause is

found in the rapid advance of values in lands in this settled commonwealth. Chattel slavery is possible only where lands are so cheap that they have little or no rental value, as in regions but sparsely settled. As soon as they acquire a rental value to the profit made on the slave labor spent upon them, the process of renting land begins and chattel slavery ends. It ceases to be as profitable as the renting system. Had the North and South possessed the foresight to wait a score or more years, till the population of the South had increased, land values instead of bullets and a proclamation, would have killed chattel slavery. Contrary to the ideas of those who do but little thinking, chattel slavery has existed upon but small areas of the globe at a time; and its effects upon society have been trivial as compared with the rent-form of slavery, such as Helotism in ancient Greece, Villainage during the Feudal period in Europe, Serfdom from the middle of the sixteenth century down even to the present time in Russia and scattered parts of Europe and in India, and the Rent-system employed in this and every leading nation of the globe except in parts of Australia, in several German cities, part of British Columbia, and in that bright star of the far east—New Zealand. The rent taking process by private individuals from those who wish to use the earth for legitimate production is but an evolutionary step toward the emancipation of labor. The evils of rent-taking are so glaringly evident that even the most obtuse mind can perceive them; and the day is dawning when the voice of labor will declare that to receive land rent privately is as grave a crime as to hold a man of weaker race in bondage.

Another significant difference between Puritanic New England and aristocratic Virginia is to be found in the home life and its environment. This is especially true of the dress and in the architecture of the home. The dignity and manhood of every New Englander growing out of the consciousness of his being a proprietor of land on an equality with his fellows, demanded equality of homes, of home furnishings and of dress. Doubtless it was this incentive that directed the New Englander in the legislative assembly to vote that houses shall not be larger than 16 by 20 feet, shall be plainly furnished, and that everyone shall dress according to the one established custom. Consequently, there were no large mansions in any of the settlements having beside them a "cluster of cheerless hovels of the poor and debased laborers" under the bidding of a task-master. There were no families who wore prodigal apparel of silks and costly lace made after the fashions of London, or whose parlors were bedecked with imported mahoganies and massive gilded frames or whose boards groaned under the weight of foreign wines and luxuries.

In Virginia the legislative Assembly was dominated by the landed aristocracy similar to Feudal Lords; while in New England every citizen was planted in the soil and had an equal voice with his neighbor in the Town Meetings. In each case legislation was enacted for the interests of those in the assemblies; in the first, for the few, in the latter, for the many. Which type of legislative body do we have to-day? Take an invoice of the holdings of men in our legislative halls from county to State and State to nation and then answer. Every-

one will admit that we are ruled by the landlords and as corrupt practices as ever stained the pages of colonial Virginia.

Strange as it may seem, with all the exactitude and sagacity displayed by these practical State-makers in the regulation of lands, houses, dress, Sabbath, profanity, dancing, card-playing, and every detail of public and private affairs, they made such a medley of their taxes. Their economy made no difference in a tax levied on servants, cider, household goods, farm animals, mills, lands, and on individuals in the form of a lottery. The same is true to-day. Many of our public officials who exercise the power of regulating and levying public revenues—the most important and far-reaching of public functions—are as hopelessly entangled in the jungle of crazy practices as were these self-denying, serious-faced people. As seen in this colony, custom has much to do with the acts of officials. Change in public affairs is slow and difficult, however unjust and obsolete an old law or practice may be. A long period of grinding injustice seems a part of the evolutionary process that leads up to correcting public evils. A case in hand is the lottery method of raising public funds. In the early part of the eighteenth century Great Britain, under the stimulus of great wealth obtained from the slave-trade and rents from lands, plunged into a whirl-pool of gambling schemes. The stock market was deluged with every conceivable project that might have the proper hypnotic influence over the maniacal, get-rich-quick victims. All day long, history tells us, the hungry stood in line each awaiting his turn to invest in the magic of transmuting gold that their wildest dreams of untold riches could be realized. In the soil of such excitement and intoxication, lotteries naturally flourished, especially after the law had legitimatized them. The gambling-craze rolled across the old Atlantic and seemed to hold even the pious Puritan entranced by the magic of its allurements of wealth. Lotteries were commonly adopted by the New England towns to raise money for public purposes. "When a road or bridge was to be built, a street paved or some public building was wanted, lottery tickets flew plenty and fast." "Debts were lifted, fire losses liquidated, and every kind of public indulgence was granted by this 'snare laid for the people.'" Faneuil Hall, burnt in 1761, was rebuilt by a lottery.

The most notable weakness in their system of taxation is that they did not discover that while they were taxing their farm products and servants, and imposing a voluntary poll-tax by the lottery, they allowed their city brethren to go virtually untaxed on the great values added to their lands. These values grew so enormously that the heirs of the city monopolists, a century later, were able, with the large rents obtained, to buy up so much of the lands of the State as to feudalize it and thus destroy the settlement system these thrifty farmers established. Had they been wiser and seen that thrift and industry were to be encouraged by placing no tax on labor products or servants, and resorted to a tax on the site values of the cities, their peasant farm system would be in vogue to-day.

Another serious mistake made by these people of sterling character was their attempt to regulate wages by law. They reasoned that it was just to both

employed and employer to know previous to making contracts what was to be received and paid. In theory, or without a deeper investigation into the natural law of wages, this seemed like rendering to everyone his due. But let us see how these justice-loving people strove to establish a fixed wage, how utterly the plan failed and the reasons assigned by Governor Winthrop for its failure. The General Court in 1633 had stipulated the wages of every craft and the penalties against both givers and receivers of unlawful wages. Also with this law-fixed wage were other subsidiary provisions and requirements. There must be no idleness under penalty. In case of disagreement as to the rate of wages, the town appointed three men to adjust the difference; thus establishing the principles of arbitration. No sooner was the rate of wages established by law, than it was found that laborers refused to work for the wage laid down for each craft. Meetings were called, in which workmen were urged to abide by the law. A few accepted the law-made wage, but numbers moved to new settlements on the frontier to engage in the more lucrative occupations of farming, lumbering, and stone quarrying. The manual trades suffered for scarcity of laborers, and these natural conditions broke down the artificial wage and employers were finally allowed to offer enough more to entice labor back to the trades. Governor Winthrop at that time wrote to friends in England: "Our children and our children's children will be unable to hire servants for the low wages of England, as they all find their way to the frontier where they doth make a comfortable living."

There is no better example in American history than this New England land system to demonstrate the natural law of wages or reward for labor. As stated tersely by Henry George the law is: "Wages depend upon the product which labor can obtain at the highest point of natural productiveness open to it without the payment of rent." To apply this law to this case it should be understood that during the period of 150 years in which the Puritan land system was in force, there was an ever receding frontier that was constantly being settled by the town method. This borderland zone commanded no rent, therefore the total product of labor in that zone is what determined the wages of the lowest paid labor throughout the whole colony; and as this was higher than the law-fixed wage, it is natural that labor, guided by self-interest, found its way to this zone, "the highest point of natural productiveness open to it without the payment of rent."

In any country where there is such a margin or border-land open to labor, wages are invariably higher than in those countries, like England, Germany and other European nations, where all the available land is "owned" and labor is asked to pay rent both an natural and speculative value for the lands thus monopolized. In those countries there has long ceased to be a "West" to which the overflow of labor could go. Therefore as there has been no free outlet for labor in European countries where land is "all owned" and fenced in, wages have fallen lower as the competition for employment grew. The only avenue of escape has been to emigrate to North or South America where the border zone of land has welcomed them and they were able to possess the full product of their labor.



ADOLPH DAMASCHKE
Editor *Bodenreform*

The Western Hemisphere has offered higher wages to the labor of the world, simply because it has had abundant available free land for every comer. If, then, we see this self-evident principle, proven in the long period of New England history, shall we not forever reject the unsound and pernicious argument that labor is paid by accumulated capital, or that wages are maintained at a maximum standard by placing a tariff duty on every article the laborer consumes? Moreover, if buying up land in this border land for speculative purposes, prevents labor from using it freely without rent or forces it to go to less productive lands; and forces labor as a result to take less and less for its services till, as the process is carried to its logical conclusion, wages are so small that they will just feed and rough-clothe the laborer, why do many insist that land speculation is morally right? Also, why should we own an unlimited amount of land in fee-simple, if the ownership involves the fostering of this very monopoly system that reduces the laborer to the wages of crusts and rags? Would not simple possession of land in perpetuity be all that a truly civilized society should desire? If possession during life is guaranteed to the next generation as it is to this, would there be that harrowing distress and that anxiety now felt for the future welfare of our children? Would there be that nightmare in our lives, The Fear of Want, to drive us to the extremes of wrong-doing to satisfy human desire? Would there be docket after docket full of unbrotherly litigations over the divisions of estates and the breaking of wills? Would there be the long array of evils and the trials and tribulations incident to a short span of life on this planet that is brought to our attention in the daily press? Does not the rent taken by monopolists destroy the nobility of society and fill life full of sadness at the suffering and degradation this unearned rent engenders? If those who clearly understand this natural wage have honest convictions, and are not looking for the shortest, rose-strewn pathway to become an aristocrat or monopolist, they will see how simple and easy the remedy for the unnatural conditions in which we find thousands of our fellowmen. When they see a ragged urchin, a beggar, or a hovel full pale, weazen-faced wretches, they will know that the natural law of wages has been broken. This law enforced, the problem of poverty is solved; and the untold and unspeakable misery of these children of a common woe will disappear forever.

(To be continued)

INCREASING the taxes on the land will not increase the rent. The rent is just as high when the land is not taxed at all. Rent always tends to be all an industry can pay.

IN every country rent is increasing faster than wages.

THE Single Tax on land values has a tremendous advantage over all other forms of taxation in its simplicity. It can be assessed easily and justly and economically.

LAND TAX OR NATIONALIZATION OF MORTGAGES.

(For the Review.)

By DR. KARL TOLENSKE, University of Halle in Saxony.

(Translated by Grace Isabel Colbron.)

THE QUESTION.

To the English or American Land-Reformer the question as to whether we shall advocate a Land Tax or the Nationalization of Mortgages will not seem very comprehensible. But for the German Land Reformer it is the first and most important question for him to settle. This will be seen as soon as the importance of land mortgages in Germany is understood. But before we go on to deal with this subject, let us say a word or two on the subject of a Land Tax.

THE LAND TAX.

Save all the ground rent for society. This is the goal towards which Land-Reformers everywhere are working. The shortest way to reach it is to put a government tax on the ground rent, the Land Value itself. But this is the shortest way only for such States as are free to apply it. These are the States where the ground rent goes almost entirely to the owners of the land. In Germany this is not the case, because of its land mortgage.

LAND MORTGAGES.

The holder of a land mortgage has the first right to cover his interest from the returns brought by the use of the land. The owner of the land has to wait until all mortgage debts are paid before any of the income from the land returns to him. Payments of a public nature, such as taxes, etc. are the only payments which take precedence of the right of the mortgage holder. Now in Germany these public payments are unimportant. The condition results that almost the entire ground rent or land value goes to the holder of the mortgage rather than to the actual owner of the land. Anyone may take up a land mortgage. These mortgages are held in Germany by private parties, or by public institutions such as Savings Banks, by Semi-public institutions, such as Insurance Companies or Mortgage Banks. There are no statistics which give the exact figures for the liens held on land throughout Germany. But from such reports as we have from separate States, from Brunswick, for instance, it is possible to calculate that there are at least sixty billion marks invested in Land Mortgages, throughout the Empire. And as almost the entire area of the land of Germany is burdened by mortgages, we can see that almost the entire sum of the ground rent, the Land Value, goes not to the owner but to the holder of the mortgage.

LAND TAX AND MORTGAGE.

The security of these mortgages, which is greater even than that of government bonds, rests upon the fact that they have the first right to the returns for the use of the earth, to its increase in value, with the exception of such public payments as the State may exact in the form of taxes. As aforesaid, these payments have been comparatively slight and it is generally understood, or at least taken for granted, that such a condition of things will continue. Therefore it can easily be seen that the suggestion to introduce a Land Value tax which should take precedence of the rights of the mortgage holder, would result in an upsetting of the mortgage market. As a further result a number of those concerned therein, small stockholders in Insurance Companies, depositors in Savings Banks and the like, would find their securities threatened, would be subjected possibly to actual loss.

NATIONALIZATION OF MORTGAGES.

The only way out of this dilemma, the most effective and safest way, is that of the Nationalization of Mortgages.

Every mortgage is secured entirely or in part through the actual value of the land, or else through the value of the capital used in improving the land. The task for the State then, is to take over all direct liens on land from the present holders in return for interest-paying bonds. The mortgages on improvements can be reduced through amortization by processes which we will not describe in detail here, as it is a technical matter only. When in this manner the State has bought for itself all the direct liens on land it will take in the form of interest the ground-rent, but it will pay part of it back again to the former holders of the mortgages in the form of interest on their bonds. The next step will be amortization of these bonds by the State. Once the beginning is made with a portion of these bonds, the amortization of the remainder will go on from year to year automatically through the excess of the interest on the liens, which does not change, over the constantly decreasing interest on the bonds. In this manner the nationalized interest on the mortgage will become a taxation on land values.

THE "corner" in land forces business and labor to less productive land and diminishes their returns (compensation or wages).

THE present system of levying and collecting taxes is expensive, complicated and unjust.

THE rent which the landlord collects, and which now appears in the high cost of living, will, when collected by society in the form of the Single Tax, still appear in the cost of goods, but it will be less and it will be expended for the benefit of society instead of for the benefit of individual owners.

ECONOMIC SCIENCE AND THE UNEARNED INCREMENT TAX.

By **PROFESSOR DR. ADOLF WAGNER.**

(Translated for the Review by Grace Isabel Colbron.)

Two years ago, at the Stuttgart Convention of the League of German Land Reformers, I undertook to speak on the subject of a government unearned increment tax. It was the first time I had publicly formulated the thought. The idea awakened interest but met with opposition as well, an opposition which came principally from the representatives of the various communities within the Prussian State.

And yet it must be clearly seen that if we consider a tax on the unearned increment in land values as in any way just and right, its results should first of all go to the largest communal body—in our case to the Empire. It is this thought that has now become a law in Great Britain, for instance.

We owe our national progress to a large extent to the Empire. The Empire is the first source of law and of security for internal and foreign affairs. It is the Empire which has given us a united economic policy, upon which our present great industrial and commercial development could be built up. It was the German Empire of 1871 which made over the uncertain and indefinite association of the German States into an enduring bond and thereby laid the foundation for the tremendous development of the nation since that date. And out of this tremendous development has grown the enormous increase of the land values in our country. Therefore the Empire is to a large extent responsible for this increase.

Apart from the justice of the foregoing it is much to be desired that on this new field of economic legislation we should as soon as possible achieve a united code of law. Some of our States have gone ahead with legislation on their own account and many others would have followed them. One can judge of the possible resulting confusion by what we have already experienced in the different civil codes throughout the various German States before they were gathered into one by Imperial action.

Take for instance the astonishing development of the city of Berlin. It is not the result alone of the growth of the city in the narrower sense, nor even of the development of Brandenburg or of Prussia only. It is a result of the development of the entire German Empire. The enormous increase of land value resulting from the increase of the population of Berlin is really due to the entire German nation; or to put it in another way, the entire German nation has worked to bring it about.

In my opinion therefore the assertion that it is not the Empire but the individual State and community which has the right to the increment tax is not quite correct. Mere justice demands that the people in the smaller German States should have their due share, through an Imperial tax, of the

enormous increase of values in the great centers of population, Berlin, Hamburg, Leipzig, Munich, Kiel, etc., for which they are directly and indirectly responsible.

Of course I acknowledge that the communities themselves have a great interest in the unearned increment tax and should enjoy a large portion of it. But it cannot be denied that it is not the community alone which has brought about our great economic development. The community is carried upward through the development of the State in which it lies, and the development of the State is carried on in its turn through the larger activities of the Empire. Therefore it seems to me that the Empire may in justice demand the larger portion of the return from such taxation for itself. Economic science will sooner or later find a way to unify the rights and demands of the various bodies. There is something to be said on each side. Personally I believe the Imperial unearned increment tax to have the best reasons in its favor and I am very glad to see that the thought is being taken up in greater and greater measure and that it has already practically resulted in a bill backed by the Allied Governments.

On the other hand, we have a rapidly growing industrial development, a development which is made necessary by the civilization of today. Through this industrial development the population of our cities is growing tremendously. This increases land values in the centers of population in an equally rapid fashion, resulting in an enormous increment which can really be called "Unearned." In rural districts the increased land value comes as a rule from the actual application of labor to land, but in the city it is the contrary which is true.* We cannot look upon the plans and hopes of the land speculator as "work" which has increased the value of the land. Of course I do not demand that he shall go entirely unpaid; but the return demanded by the land speculator is entirely out of proportion to any mental or physical creative labor on his part. He expects his profit because he has had a chance to buy the land, the land which, however, cannot be sold for a much higher sum unless the population of that particular spot increases. Herein lies the justice of a high taxation of land values. The profit made by the land speculator is only in a very small measure a return for actual work on his part; for the greater part it is a return from the work of others. The late Dr. Paul Voigt, killed recently by an accident in Switzerland, made a calculation of the value of the building lots in that portion of Berlin which stretches from the Zoological Gardens down to the suburb of Halensee, the Kurfurstendamm, one of the newer residential streets. The result of his calculation was that these lots must have been worth altogether about 50,000 marks in 1830, and

*The land values of rural communities are due to the same cause as the land values of cities. Economic rent arises in neither case from the application of labor to land but from the competition for the most valuable lands. There is something unconsciously *naïve* in the contention that the land speculator should not go "entirely unpaid," for if he is entitled to any part of economic rent he is entitled to the whole of it.—EDITOR SINGLE TAX REVIEW.

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that fifty or sixty years later the land had risen to the value of 50 million marks. Is this tremendous increase in any way due to the activity of the land speculator? Would we not rather say that it is due to the development of the city and of the Empire? That it is due to the tremendous development of our political, economic, and social life? The value of this land is very much greater today than at the time the tabulation was made. And all this increase, thanks to our principle of private ownership in land, has gone to the individual owner or to the land speculator. It would seem as if the community had some right to a part at least of this increase in value.

It would not be possible of course to take the land away from the private owner, but we can at least take a part of the increase of value, an increase which is due to the general development entirely, for the needs of the Empire, the State and the community. I therefore have come to the conclusion that an Imperial unearned increment tax on land values would be justifiable, feasible and beneficial. The assertion that it would be beneficial has been disputed. And yet this taxation, wherever introduced, has shown valuable results not only financially, but from the point of view of social welfare. For it is certainly conducive to the social welfare to take a portion of these values for the public revenues, so that public needs may be satisfied and useless burdensome taxation done away with. When one considers the question from all sides it would seem as if economic science in Germany, in England and America must understand how absolutely justified is a taxation of the increasing value of the land. We cannot expect that scientists in the Romanic countries will come to the understanding as yet and of course there will be dissenters everywhere.—(From the "Year Book of Land Reform, 1910").

Prof. Wagner's acknowledged preeminence as a thinker in the field of economic science in Germany renders his open espousal of these doctrines of great importance. Holding the Chair of Political Economy in the University of Berlin, Prof. Wagner is in a position to give weight to any belief he may adopt. The foregoing article appeared in the Year-book two years ago. The Imperial Unearned Increment Tax became a law in April 1911.—EDITOR SINGLE TAX REVIEW.

PENALIZING PROGRESS.

The Liberal party in Ontario has adopted as a platform plank the principle of taxation of land values. The *Ottawa Citizen*, a Conservative journal, commenting on this, expresses the regret that the government has allowed the opposition to forestall it. Public thought and sentiment are, without doubt, running on the benefits to be derived from this form of taxation, and it would be well if the government of Alberta should recognize this as a matter for adoption throughout the province. . . . The ordinary thinker cannot but fail to see the injustice of the owner of land being taxed for improving it. It must appeal to him in the nature of a fine for being progressive. And so it really is.—Lethbridge, (Canada) *Herald*.

TAXATION OF LAND VALUES IN GERMANY.

(For the Review.)

By A. POHLMAN.

The victory gained in Great Britain in the great struggle for the Taxation of Land Values has not been a victory for that country alone, but has strengthened the cause of Land Reformers all over the world, and not least in Germany. On the other hand, some of our achievements and some of our old Land Reform institutions have helped to forge weapons for the British Government to carry the Valuation Bill.

Thus each country can learn from the other, and this is the more necessary the nearer we approach the point where Single Tax theories have to be put into practice, for it is here that the chief difficulties arise. It is one thing, and generally a very easy one, to have a theory, but it is another to work it out in figures and taxation schedules.

In newly developed countries, with no ancient laws and institutions, it is comparatively easy to put Henry George's theories into practice. A plain fact is then easily brought into harmony with a plain truth. Thus the nearest approach to a Single Tax has been instituted in the German colony of Kiaochow with highly gratifying results; but in older countries, with complicated economic conditions, things are not quite so easy. The legislation of centuries has created many obstacles to the introduction of the Single Tax pure and simple, and these have to be removed, in order that it shall not lead to the reverse of what the great "Prophet of San Francisco" intended.

This, at least, is the case with us in Germany, and therefore we seem to swerve, at least to all outward appearance, from the true course followed by our friends in other lands in pursuing our common ideals. The tactics we follow have even brought us under the reproach that we are not following the paths shown by Henry George, and that we waste our energies in contests which do not touch the vital question of taxing land values. It is true that we proceed differently from our friends in other countries, but then the circumstances differ.

For instance, when we advocate a reform of our mortgage laws, it seems to outsiders, to have very little to do with the Single Tax problem, and yet, if we proceeded differently, it would be a violation of Henry George's principles and not their fulfilment, as I will try to show.

We have in Germany the most perfect mortgage system in the world, at least from the technical point of view. One can register a mortgage with very trifling expense, and as easily as one buys a pair of shoes, and no intricate judicial questions are likely to arise in case of default. The proceedings are prompt and plain, yet this technical perfection has proved to be the curse of the country, for it has led to an indebtedness of the cultivators to a degree quite unknown in other countries.

In 1905, 737 forced sales of landed estates of all sizes were recorded, cover-

ing an area of 44,802 acres, and these were proved to have been mortgaged to the extent of £1,061,445, which works out at £23 13s. an acre. This would be considered a high price for average farm land in England.

Now I do not contend that the same indebtedness prevails all round, but we are travelling towards it, for according to the figures given in the *Official Reichsanzeiger* of 30th November, 1909, the yearly increase in mortgages in Prussia alone amounts to about £15,300,000.

The total indebtedness of agriculturalists in Germany may be estimated at nearly one thousand million pounds sterling, which reveals the fact that our much praised freehold landed proprietors are such, to a large extent, only in name. The real owners are the big mortgage banks of which we have no less than 37, the savings banks, insurance companies and private lenders, for a mortgage means co-proprietorship and even a preferential one. All the risk, all the trouble, all the work to make the estate pay, is borne by the nominal owner, while all the advantages lie with the mortgagee. To him, and to him alone goes the ground rent; and in this fact lies the reason why we in Germany cannot go straight for Taxation of Land Values pure and simple as many of our foreign friends would like us to do, without tackling other questions at the same time. It is the fundamental teaching of Henry George that the tax on land values must come out of *ground* rent. The man who receives the ground rent has to pay. Very well. If we in Germany should tax agricultural land values we would hit the wrong man. It would be a tax on human industry, on the man who works the farms without ever getting a penny of the ground rent. Even if we say the tax will not be a new burden, that it will merely replace the taxes the farmer is paying now, it would not alter the case, for the present taxes are being paid out of his earnings, and if they are substituted for others nominally on land values, it would do little to alter the case.

Henry George nowhere says that taxing land values is the only way to recover the ground rent for the community; he only considered it the most expedient way, and so it is under normal conditions; but where laws and customs have, in the course of centuries, changed these to such an extent that it would be folly to pursue this path, he would certainly have been the first to advise us to follow another, provided it eventually led to the desired result.

Our road in Germany is barred by its mortgage system; until we have removed this obstruction by systematic reform, we can no more try to introduce the Single Tax than the owner of a drowned coal pit can think of getting at the coal without removing the water. He who would advise us to go straight for the Single Tax without considering the mortgages, should have the courage to say to the owner of the coal pit "Go straight for the coal, and never mind the water."

It would lead us too far at this time to try to explain by what means we propose to solve the mortgage question; but I may mention another important factor which forces us to take a different course from our friends abroad.

While the people of England have been fighting for years to get the right



His Excellency
PROF. ADOLPH WAGNER
 Member of the Prussian
 Upper House.



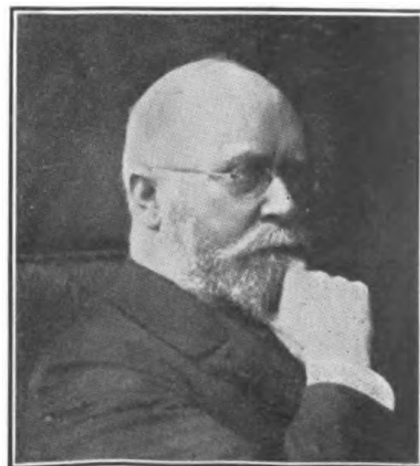
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JOSEPH FELS
 Foreign Correspondent of the
 German Bodenreform League.



L. WEBER



PROF. DR. W. REIN

to tax land values, our countrymen had that right long ago, only they make use of it in a wrong way. They do not deduct improvements, and now we have a very hard task to persuade them that in not doing this they violate an economic principle. Of course this difficulty would be removed if we could get our Imperial Parliament to pass a law for a separate valuation as in Great Britain. It is certainly easier to persuade 400 M. Ps. of the justice of a cause than 55,000 communities, but the central Government, after having once granted them the right of taxing land values, does not feel inclined to trouble itself with the assessment, and leaves the communities to look after their own interests. This position is strengthened by the communities themselves, who are very jealous of their self-government.

The difficulty is enhanced by the inability of the average German to understand that a building and the ground it stands upon are two different economic items. In England, where there are landlords, tenants and leaseholders, and where a man builds a house on land which belongs to another, there is a much better basis for separate valuation than here, because with us, house and land invariably form one unit.

However, the Government Bill for taxing unearned increment has come as a great help in overcoming this difficulty, for here the principle of deducting improvements comes into effect, and as public opinion has been greatly agitated by this measure, the Bill has given us a splendid opportunity of educating the people in our principles. That is one of the reasons why we have put all our energies into the support of this law. Besides, we think it expedient that, so long as a more thorough reform is in suspense, the public should not continue to lose the enormous values which are daily being created by the rapidly rising ground rents. In this way, at least, part of what Henry George wanted to reach by means of the Single Tax, will have been achieved.

In addressing the public, we are careful to see that we leave no doubt in their minds that the tax upon unearned increment is but a part, and a small part of our programme; but that nevertheless, we consider it a step in the right direction, and we value and support it as such.

In studying German affairs, it must be borne in mind that our people still possess very large areas of common land. We have towns like Ulm where three-fourths of the municipal area belong to the public. Some communities draw so much revenue from municipal property, that, instead of having to pay taxes, the citizens derive certain advantages. The bulk of the woodlands are public property and also about 850,000 acres of agricultural land. From these sources Prussia alone derives a revenue of about £3,000,000 a year. Now if there is a tendency to increase this property, which has proved highly beneficial all round, we naturally wish to strengthen it; for in this case the community gets more of the ground rent, and with less trouble, than would be obtainable by taxation.

Thus it will be seen that in promoting our great cause, we have to adapt our methods to suit the peculiar circumstances which prevail here, as in other countries. The great goal of land reformers is everywhere the same, but the tactics are bound to vary if they are to be crowned with success.

LAND REFORM AND CANAL BUILDING.

By DR. A. VON SCHWERIN.

The chief objection to all plans for building canals is the high cost of the work. This expense is so high that neither the toll paid by the ships, nor the customary contributions from communities interested promise a sufficient and proper interest and amortization of the capital sunk in the undertaking. Of course this is no denial of the fact that canals bring great benefit to the countries through which they go, but this benefit cannot be utilized as a return for capital expended.

It is easy to show the greatest advantages accruing from the building of a canal, one example alone will suffice. Let us take the Teltow Canal near Berlin. The Teltow Canal is about 20 miles long. Its position in the immediate neighborhood of a great city gave a high original value to the land along its banks even before it was built. According to information given me by the builder of the canal, Councillor Havelstadt, the value of the lots to the right and left of the canal for about 500 yards was, before the canal was built, 100 million marks. It cost about 40 million to build the canal. Once the undertaking was completed, the value of the land rose from 100 million to 500 million marks. The building of the canal, therefore, costing 40 million, had produced an increase of value on a strip of land scarcely half a mile wide, of ten times its own cost. And there is no doubt that the increase of value continued beyond this strip of 500 yards to the right and the left of the canal. Also that the increase of value still goes steadily onward even if not quite as rapidly as at first. The greater part of the land in question has already passed from the hands of private owners into the possession of realty companies.

An enterprise like the Teltow Canal, in the neighborhood of a great city, will naturally produce on a smaller amount of land a relatively greater increase than that resulting from the building of a longer canal through open country. But every long canal passes some centre of population, and the increase of value in the land near this centre is of itself a justification for the building of the canal. In its Monograph on Canal Building the Prussian government gives some interesting information as to the increased expense necessary in condemning the land just as soon as the line of a proposed canal becomes generally known. Before a single spade full of earth is turned a noticeable increase in the value of the land has already taken place. As to increase in value in general the Monograph says the following:

1. The increase of value of the land due to the North Sea Canal makes itself felt for two miles inland, although of course it is most noticeable immediately adjoining the canal. The price of the land went up long before the canal was finished. At all places where ferries and landing docks were to be built the land went up in value rapidly, although of course the greatest in-

crease was seen in the neighborhood of cities and larger towns. The land around Brunsbuttel, laid out in building lots, quadrupled its price in one year, 1893, and then rose steadily until 1903. The increase was noticeable to about one mile distant from the canal. Near the city of Rendsburg the value of improved land went up 50%. At the end of the North Sea Canal the prices for land doubled for agricultural land while building lots went up to ten times their original value.

2. Similar figures can be shown around the Dortmund-Ems Canal. The Monograph notes the sudden startling rise of values around new canals in the neighborhood of the harbors in the larger cities, but speaks also of a steady if slower, increasing value of the agricultural land within the sphere of influence of the new canal.

And to whom does all this increase go? Only to the chance owners of the land. To these few it comes like money won in a lottery, it is a gift given to the chance possessor of the land and its values by the whole community. The first and most important influence of the building of a new canal, therefore, is to raise land values along its banks, values the benefit of which accrue to the chance owner of this land. I might almost say that this chance owner is the only one who has a benefit from the increase of value, for it is possible for him to levy a tribute on all those whose business makes it desirable that they should locate near the canal. It does not seem reasonable that the community should give this chance owner of the land the power to levy toll on all those who need the canal and its services. It would seem as if the State had not only the right but the absolute duty to bring about a condition of things in which this extra value would be brought back for the use and the good of the entire community.

That the State may make it possible to take for itself the increase of value made by the building of a canal, it will be necessary to find a sensible system of taxation. The thing can be done I believe through the following taxes:

A governmental unearned increment tax.

A tax on the actual value of the land.

A tax on exchange or sale of land (such as we already have in a number of communities), and power to condemn the land at such places (landing places, harbors, railway terminals) where the most noticeable increase of value is to be expected.—Extract from a report made by Dr. von Schwerin at the 19th Annual Convention of the League of German Land Reformers, in Nuremberg, on April 14th, 1909.

THE holding of land out of use has the effect of a "corner" on the market.

TWO-THIRDS of the present high cost of living is estimated by Single Taxers to be caused, directly and indirectly, by the ground rent. The mere bringing of vacant land into use by the Single Tax would reduce the rent of land about one-half and would lower the cost of living fully one-third. (This is a conservative estimate.)

THE NATIONALIZATION OF WATER POWER.

By Professor Dr. F. SCHAR.

The tremendous advance in the scientific understanding of electricity and its powers of transmitting light, heat and power over great distances has increased the value of all natural resources, all substances by means of which the electrical current can be produced.

All such resources have become a valuable asset in a nation's wealth. And still more important for progress is the consideration that coal and petroleum are no longer the only sources of power, light and heat. An important competitor has arisen in the "white coal," the moving water, be it the cataracts in the mountains, the quietly flowing river or the beating of the surf on the shore. Water-power is today an important factor in the housekeeping of a nation.

King Coal came to his throne over a hundred years ago, when science discovered the possibilities of steam for moving great machines. Those countries under the soil of which lay the precious coal, found themselves unexpectedly possessed of apparently limitless riches. But not a single State of those days had the insight and the energy to secure these riches for all its people. For a mess of pottage the privilege of working the coal mines was given over to private speculation. In 1828 the owner of the most important Westphalian coal mines, Prince von Arenberg, offered the mining privilege to the Prussian administration for 1,000 talers. His offer was refused. Scarcely eighty years later a Prussian Minister made an official offer for a single mine, of 150 million marks, an offer which was also refused.

The understanding of the importance of these hidden riches came too late. The inexhaustible treasures were taken possession of by a few and utilized for their own benefit. The nation as a whole shared none of the advantages, had no further benefit from it than the fact that hundreds of thousands of its people were forced to become workers in the mine for miserable wages, were forced to spend their lives deep down in the bowels of the earth in a dangerous and unwholesome occupation, enjoying little of the beauties of the world which the coal they mined had won for the Few who owned it. Nay, more. In leaving these mighty treasures of nature, which the sunlight of a former age had stored up for the good of all mankind, in the hands of a Few, these Few were given a still greater power, a still more mighty privilege. For here again could be seen the truth of the ancient Hindoo proverb, "He who has the power over the land, has power over the human beings that dwell thereon."

The story of how the Coal Trust in the United States of America utilizes this power is world-known. The Trust limits production to bring about an artificial scarcity of coal, that it may raise the price according to its own will . . . concerns itself little about the fact that its workmen are unemployed,

that industrial development is hindered, and that thousands of poor families suffer the need of the coal for which they cannot pay. Similar conditions already threaten us in Germany. The German coal Syndicate is practically nothing else than a Coal Trust. Here as in America, we see the concentration of the workings, the concentration of the united capital of the private owners to one gigantic enterprise, with the outspoken purpose of killing off smaller undertakings, of laming competition, and of regulating the price of coal according to its will. And all this is done that high dividends may be secured for the stockholders; for stockholders who often have no knowledge of the labor, the need, the danger and the sacrifice endured by the workers in the mines; who have no knowledge of the need, the privation and the suffering endured by a great mass of the population because of the high price of coal. The government which stands powerless against the aggression of these coal barons is the same government which one hundred years ago either gave away the mining privileges or sold them for a pittance. It is these mining privileges upon which the great Trusts are built up, and upon the ownership of which depends the price of coal regardless of the cost of production. Here again we come to the same old truth that Ground Rent monopolized by a Few is the chief cause of the social distress of today.

And now again we find ourselves in a similar position as when, a hundred years ago, the State gave away its mining privileges. Another great mechanical invention is revolutionizing modern production, coal has found a competitor. In place of the stored-up sunlight of prehistoric days, we have a source of power in the ever renewed accumulation of sunlight, in the water which the sun's warmth draws up into the mountains. The use of falling water in power-production is thousands of years old; this is proved by the ruins of ancient mills. What is new, however, is the collecting of the water in mighty reservoirs, the equalizing of greater and smaller falls to steady the strength, and most important of all, the use of the mechanical power of electric energy, by which power, light and heat can be produced and carried onward to enormous distances. We can build an artificial lake in the mountains, we can collect in it the water of the smaller mountain brooks and springs, through pipes we can regulate the height of the falls, we can keep the amount of water steady throughout the year, and we can send out the electric stream to a distance of many miles, to turn the wheels in factories, to make the telephone and the telegraph possible, to heat and light the family home, to cook the family meals, to light our streets; for any and every one of the purposes for which electricity is used today.

But right here lies the danger. This new source of power is threatened by the same fate that overtook the mining privileges a hundred years ago. The water power rights are being given in concession by the State and the community into the hands of private monopolies. Because of this, the new source of natural wealth will go the same way that the coal mines went, i. e., it will become a monopoly of capitalistic enterprise. The blessing which was destined to assist an entire nation in its economic process, in its labor, therefore

in its well-being,—this blessing will be changed into dividends on shares which are held by a few, which are a means of speculation for a few. And the people to whom by right this wealth belongs, will find themselves suffering under the same dull struggle for existence, spending weary hours in the service of the machine.

It can easily be seen how soon this will all come about once the water-power has become an object of value, that is, has passed into private ownership. Just as the price of coal is artificially kept up, so the right to the water-power, which is expected to provide an income, will lead to a raise in the price of the power produced. Competition will be killed by monopoly, all the more surely as the symptoms of a Trust can already be seen. Here in Switzerland, the companies owning the water-works are already making arrangements among themselves by which each company has a firmly marked field of exploitation, that no unnecessary competition may interfere with the regulation of prices.

If we wish to prevent conditions such as this development will bring about, i.e., not a cheaper source of power but merely a change in the production of power, we must go to work about it at once. We must fight towards making an end of the private exploitation of water-power, particularly in the form of conditionless concessions and franchises. If ever a State or a community had the duty to stand up for the right of the majority of its people, then our State has it now in this matter of the water-power. And the League of Land Reformers, understanding the importance of letting the values of natural resources go back to the people where they belong, can find here labor worthy its best efforts.

THE reason that the rental value at present is as great as it is, is owing to the fact that a large proportion of the land is held by speculators, out of use.

NEARLY all the advantage which an increase of business brings to a community is absorbed by the land owner by increasing the rent.

THE Single Tax is a proposal which has for its object the taking over of this value of the land which by right belongs to the community.

THE N. Y. *Mail* supports the proposition for a referendum on the question of halving the tax on buildings, the measure advocated in the legislature of this State in what has come to be generally and favorably known as the Sullivan-Brooks Bill.

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PUBLISHER'S NOTES.

Note—We have to announce that greatly to our regret the article written for this issue by Dr. W. Schrameier arrived too late for insertion. It is an admirable survey of our movement in the Empire, and should have had first place in this issue. It will appear with other important matter relating to Germany in our next number which will be a sort of aftermath of the harvest of material gathered in this issue.

We trust our readers will aid us in the distribution of this Special Number. The price of single copies is 25 cents, but it may be had in small lots at 15 cents each and mailed, postage paid to any addresses. Our German-American fellow citizens should be interested in it and may be induced to examine the question further by receipt of this number.

There is no more important work being urged anywhere than the work the REVIEW is doing. These special numbers are of immense value to the cause, and they need your help.

That the value of this work is being everywhere recognized is proven by extracts from a few among the many expressions of opinion received. Lewis St. Geo. Stubbs, of Birtle, Manitoba, writes: "The REVIEW is doing incalculable service for the cause of social justice."

Alfred J. Wolf, of Fairhope, writes: "Words will not fully express my admiration of the remarkable work shown in the Vancouver and Edmonton editions of the REVIEW. They certainly warrant it in calling itself the organ of the movement."

Henry J. O'Neil, of Allentown, writes: "I have been watching for some time the wonderful things you are doing for the SINGLE TAX REVIEW. What you have accomplished for our magazine is a striking example of what one man can do by determination and patience. However pretentious our movement may become in the near future we have now a magazine that will do honor to our cause."

Stoughton Cooley writes: "I appreciate to the full the special numbers of the REVIEW, and hope you will be able to get all those you have planned."

Hon. Dow Dunning, of Morgan, Idaho writes: "I could not get along without the REVIEW. The movement has no better means of propaganda."

THIS SPECIAL NUMBER.

This number will give some idea of the progress that has been made and is making in Germany. We have presented the articles prepared especially for this number by our German comrades without alteration or emendation, and with only here and there an editorial note of qualification.

We think it is perfectly correct to say that our friends of the Fatherland—many of them at least—have seen the vision. The difference of approach to the rising sun is due to several causes to which it will be well to give due recognition. These are, 1st, the national temperament; 2nd, the predominant political tendency of the Germans to lean upon the State, and, 3rd, the laws and institutions, many of them old Teutonic survivals, which make more difficult sweeping changes in land and taxation laws and, in a great measure, encourage and sometimes force the German Single Taxers in the direction they have taken.

Our readers are asked to note carefully Mr. Pohlman's article on another page. The problem he presents is not peculiar

to Germany, save in degree. The justification of the *zuwachsteuer* does not seem to have been demonstrated for Germany any more than for England where it was adopted into the Lloyd George Budget. This tax is one on the increased value of land as determined when sales are made, and over 600 German cities have adopted it. Though it is not a tax on transfers of real estate it must operate as such a tax, and must exempt land that is not sold, no matter what its increase in value. It is also a tax for the escape from which we may be confident methods of evasion will be discovered.

Nevertheless, it is better than nothing. Nor is its educational value to be despised, for it can only be defended on the ground that it is a value belonging to the people. On this ground it is urged by the German land reformers who have "seen the cat."

We can afford to be patient with our brothers if they seem to differ radically in their methods. At least their aim is the same as ours. And maybe they know their business—at least they have better means of knowing. They know the German mind, the German political tendencies, the laws and institutions which must determine the direction of this great reform. At all events, God speed them!

UNEARNED INCREMENT TAX.

COMPLICATED SYSTEM ADOPTED IN GERMANY

Professor Brooks, of Cincinnati, recently addressed the Cincinnati City Club on the German method of taxing the unearned increment of land values, saying:

"When in 1898 the Germans bought land at Kiauchow and planned to erect buildings upon it, the resolution to take advantage of the enhanced values of the adjoining land was taken—of all offices—by the marine office. Sight of the revenue thus raised led to emulation, first in Cologne, in 1905, and since then in many other cities, among them Essen, Frankfurt, Leipzig, Hamburg, Breslau, and lastly in Berlin in 1910. Berlin had once before rejected the proposition under pressure from the landlord interests; the second

attempt was more successful. Altogether, the total population now living in cities, towns, and rural counties that tax the unearned increment is 15,000,000. Finally, in February, 1911, the Empire entered the field with a law taking effect April 1.

In the law three elements must be borne in mind: the purchasing price, the cost of any permanent improvements made upon the land, and the selling price. Suppose a man buys a piece of land for 5,000 marks, makes permanent improvements upon it costing 80,000 marks, and sells it for 110,000 marks. His profit of 25,000 marks is what is called unearned increment, a phrase invented by John Stuart Mill and current today, not only among Single Taxers, but among our students of economics, particularly in Germany. Here comes in the first disputed question. In calculating the percentage of profit, should this be reckoned by comparison with the purchase price, or the selling price? By the former basis of estimate, his profit is 500 per cent., by the latter, about 23 per cent. The Single Taxers favored the former; the landlords were successful in incorporating the latter into the bill, thereby materially decreasing the revenue originally expected.

Taking up the first of the three factors named above, viz., the purchase price, we find that to this is added four per cent. to cover expenses incidental to transferring the property. Here comes in the question: How far back should the law go? Some cities have feared to go back of the passage of the ordinance, others go back 25 years; Hamburg goes back to the last sale, no matter how long that may be. The average city takes 1885 as a starting point, and will continue to do so till 1925, when the initial date will be changed to 1886. In 1927 they will start with 1887, and so on. The Single Taxers wanted the beginning to be with the formation of the empire in 1870, partly because the valuation records are much more complete for that date than for 1885, and partly to take advantage of the enormous increase in values that took place during the ensuing decade.

In regard to the second factor, the cost of the permanent improvements, we may

note that ordinary repairs and maintenance are not reckoned in, so that a man may paint his house without fear of adding to his tax bill. Five per cent. is allowed for the owner's trouble in getting the repairs put through; and if he conducted them himself, 15 per cent. as a sort of architect's fee. He may also count four per cent. a year for whatever street assessments have been levied against him, until such time as he sells the property. He may likewise add in two per cent. a year for what he paid for improved property, and one and one-half per cent. for unimproved property; this, because a man often seems to be making a large profit on land sales when such is not the case at all. The obvious defect in all allowances is that they provide for the owner's interests when prices go against him, and do not show an equal tenderness for the welfare of the State.

From the selling price deductions are made if the owner has not made three per cent. a year, with the effect that unless the owner makes at least five per cent. a year, the tax does not touch him at all. For those who do fall within the act's scope the rates are progressive (a feature of governmental policy in taxation which is definitely accepted in Germany), running from 10 to 30 per cent., the latter rate being charged only when the owner's profits are 290 per cent. or more. The rate is reduced one per cent. for each year of tenure.

The income from the tax is divided on the basis of 40 per cent. for the city, 10 per cent. for the State, and the remaining 50 per cent. to the empire. Unquestionably the two latter organizations are entitled to a share in the revenue, contributing as they do to the landowner's welfare, but the cities feel that the empire has been greedy. The amount that will be raised is hard to predict. The expectation that it would yield ten million marks a year, on which theory a stamp tax to that amount was dropped, is sure to be disappointed because of the changes, detailed above, that have been made in the original scheme.

In general, we may call the plan fairly strong in its retroactive features, but weak elsewhere. It is not a financial

mainstay, and its principal product for some time is likely to be litigation. Needlessly complex, and not suiting city, empire or real estate owners, it is certain to be severely amended. But the principle has come to stay; and though the Single Taxers complain the law has no teeth, the truth probably is that as yet it has only cut its milk-teeth, and that a more permanent set will follow."

TAXATION OF THE UNEARNED INCREMENT IN GERMANY.

Municipal experts of Germany are united in recognizing the efficiency of taxation as a means of discouraging land speculation, of promoting house building, and of reducing the burden of local taxation. Prior to 1893, local real estate taxes in Germany were assessed against the actual rental value of property, according to the English rating system. Land in the suburbs of a city might be used as a cabbage patch: its rental value for taxation was that of a cabbage patch rather than of a building site.

In 1893 the Interior Department issued an order enabling municipalities to assess land according to its selling value, as is done in the United States. Local authorities immediately took advantage of the authorization. Within a few years 350 communities had made the change in the face of the hostility of speculators and large landowners. The revenues of these cities increased enormously. More than this, it made possible the taxation of unearned increments inaugurated by the City of Frankfort in 1904. The new tax is termed "Wertwachsteuer," or tax upon the increment of value. This is not the Single Tax, although it partakes of the character of this proposal in appropriating a portion of the social value given to land by the growth of population. Under the ordinances of Frankfort—and the ordinances, methods and rates of taxation in the cities differ widely—a tax of 2 per cent. is levied on the increase in value between sales of property if the increase between such sales amounts to from 15 to 20 per cent.; from this tax of 2 per

cent. it increases up to 25 per cent. of the profits gained by the seller if such profit amounts to between 55 and 60 per cent. If the land does not change hands a revaluation is held just the same, and the tax is imposed upon any increase which has taken place. Improved land is taxed less heavily than unimproved land. This tax has spread very rapidly to other cities and is yielding a very substantial return.

In the spring of this year the German Parliament, recognizing the obvious justice of this measure, adopted a bill unifying the unearned increment tax of the cities and appropriating a portion of its yield to imperial and State purposes. The local ordinances of the various cities are repealed by this act. Under this bill the revenue of the Imperial Government is estimated at \$6,000,000 per annum, which is approximately one-half of the total yield. Ten per cent. goes to the several States of the empire, and 40 per cent. is retained by the cities. Municipalities are authorized to increase the rate of federal taxation and retain the excess return in their local treasuries. Under this new imperial bill, ten per cent. of the land speculators' profits are taken if the increase in value amounts to ten per cent. of the value of the property. From this it rises to a rate of 30 per cent. of the profits where the increase in value amounts to 40 per cent. or more.

Municipal authorities assert that the unearned increment tax has a tendency to discourage land speculation. The burden of the tax leads to the sale and development of property and the lower rate on improved property discourages speculation still more. In addition to this, it yields a very substantial revenue; the City of Hamburg collecting \$800,000 from this source last year.—FREDERICK C. HOWE, Address at City Planning Conference of 1911.

THE *West Coast Magazine*, Los Angeles magazine, has a number of Single Taxers contributors to its issue for March, among whom are Jackson H. Ralston, J. W. Bengough and the able and indefatigable

Edmund Norton. The latter treats of the Single Tax in his usual clear and illuminating style.

DEATH OF FATHER BURTSSELL.

The death of Monsignor Richard Lalor Burtzell early in February deprives the church and the world of a devoted priest. Scarcely a month before his death he was created a prelate by Cardinal Farley whom he had accompanied to Rome.

It is nearly a generation ago that his generous espousal of the cause of Dr. McGlynn, who was excommunicated at the instance of Archbishop Corrigan, resulted in Dr. Burtzell's suspension and transfer to St. Mary Church at Roundout. There he filled his priestly functions, living to see his beloved brother in the cloth vindicated by reinstatement and dying in full possession of his churchly honors and with the love of countless men and women, a growing number, who had embraced the doctrines of Henry George, for which both had suffered.

Dr. Burtzell was one of the foremost canonical authorities of the church. If there is any Catholic reader of the REVIEW who is in ignorance of the fact, let us reiterate what we have often stated in these pages that this authority on the faith and doctrine of the Church whose motto is *Semper idem*, contended (a contention ratified by Dr. McGlynn's unconditional reinstatement) that the teachings of Henry George are in no place condemned, and that a Catholic is free to espouse them.

The funeral services were held at St. Patrick's Cathedral, and a solemn high mass at Kingston. The eulogy was delivered by Rev. Daniel Burke.

Howard M. Holmes is one of the indefatigable letter writers whose communications to the press of Cleveland keep the Single Tax before the readers of that city.

There have been many cordial meetings between W. E. Macklin and Sun Yat Sen, and others prominent in the new government of China. It is to these meetings

that the recommendation of the president to his cabinet that resort be had to the taxation of land values is due.

DINNER OF THE MANHATTAN SINGLE TAX CLUB.

A BRILLIANT GATHERING—JOSEPH FELT THE
GUEST OF HONOR—THE LITTLE GIANT
IN FINE FETTLE.

Perhaps the largest and most successful dinner ever given by the Manhattan Single Tax Club took place on the evening of Washington's birthday, February 22, at Pabst's Restaurant, this city. There were present 250 men and women. Dr. Mary D. Hussey acted as toastmaster, and after the reading of several announcements of coming Single Tax meetings by President McRoy, Dr. Hussey spoke briefly as follows:

"We begin the series of dinners planned by the Manhattan Single Tax Club under circumstances that are auspicious. Everywhere there are indications of a growing sentiment in our direction. In this state the Sullivan-Brooks bill is the entering wedge, and the arguments that are used to oppose the Single Tax are urged in opposition to this measure. First of these arguments is the cry of confiscation. But we cannot help being reminded of those lines of Emerson:

'Pay ransom to the owner,
Fill the bag to the brim.
But who is the owner?
The slave—and ever was—pay him!'

I will now introduce Hon. Robert Baker who will speak of the Single Tax and necessary Legislation."

SPEECH OF ROBERT BAKER.

"We have lately had brought to our attention the report of the Royal Commission for British Columbia—I like that word royal—I lived for twenty years under it as a pronounced Tory. That Report recommends three tremendous changes in the system of taxation. First, the abolition of the poll tax, second, abolition of all taxes on personality, and third, the abolition of all taxes on improvements. What is left is the Single Tax, so called.

If there is any non-Single Taxer here, it will be useful for him to learn what the Single Tax is. Now we have lots of taxes of different kinds in the United States, taxes on stocks, and mortgages, taxes on houses and personal property—in Georgia taxes for carrying a watch, in Ohio for owning a cow—all sorts of crazy taxes. Now the Single Tax would abolish all of these. All taxes would be done away with, for the Single Tax is no tax. Taxes are burdens; but the Single Tax is a burden on no one; in fact, it is essential to secure the abolition of all burdens; it is essential to secure equality of opportunity. It is absolutely essential to secure those rights spoken of in the Declaration of Independence. So when this Royal Commission recommended the abolition of these taxes they were taking the first step toward the removal of all burdens."

Mr. Baker next spoke of the legislation all over the world that is being shaped in the direction of our goal—in Oregon, where the voters are almost certain to vote for the removal of all tax burdens, in Seattle where they vote for the Single Tax in March, in Missouri, where a state wide campaign is being carried on to secure the reform we are after. "In this city of New York where the tax rate is 1-75 if we had full valuation it would mean that we would take one third of the annual value, thus taking three or four times more land value than is provided for in the British Budget. The difference however is that in Great Britain they are taking the step as one directed to the destruction of land monopoly, while we are doing it unconsciously, ignorantly.

We in the United States are on the eve of tremendous changes that we do not dream of. At a time when the vote of socialism is growing ominously, the friends of privilege scarcely know which way to turn. One of the foremost business men of the country recently remarked in private conversation; 'We must come to the Single Tax, of course.' *Of course we must to it.*"

SPEECH OF FRANKLIN PIERCE.

"I do not think it is necessary here to discuss tariffs. It is not necessary to denounce the system under which we have lived for four years of industrial depression, a de-

pression which the Democratic party has not had the wisdom to make the most of by pointing out the chief cause.

I am a free trader because I am a believer in liberty. We boast of our liberty, yet we favor a system that binds with its cruel restrictions every man, woman and child in the country. They who control the subsistence of a people control their lives. There are hundreds of thousands who in endless procession are paying tribute to the monstrous system we call protection. This system endangers the honesty of a people; it destroys the equality of man.

Mr. Underwood in his report on cotton cloth shows that duties on imports of cotton cloth in 1909 averaged 54 6-10 per cent. We manufacture \$800,000,000 of cotton cloth. Estimating the increase of price, which is a moderate estimate, at 25 per cent. the American people pay a tax of \$200,000,000 a year as the increase in the price of domestic material alone due to this system.

Those were wise words of an old Nantucket fisherman who was a member of Congress back in 1824. This old Yankee from Nantucket protested against the tariff on molasses. 'We don't want a tariff on molasses,' he said; 'we trade fish for molasses, and when you shut out molasses you shut in fish.'

You think Germany is a protective tariff country. Well so it is, but 65 per cent. of all imports of manufactured goods pay a duty of only 12 per cent. Now that would be called crazy free trade by the protectionists of this country. Let us go a little further. They tax lightly all raw material. What industry has made Germany great? It is an industry she has never taxed—chemicals.

Now let us travel for a moment to England, where free trade, according to Gladstone, added from 1855 two sovereigns to every single sovereign she possessed. When we put duties on steel and copper the control of the sea passed to England. There is more wealth in Great Britain than in Germany and France combined. In 1878 she had exports amounting to £178,000,000 and in 1907 the value of her imports had increased to £342,000,000. We ought

to be exporting twice as much as England does. We ought to be the greatest exporters of the world, for there is no people on the face of the earth so alert; we should have a merchant marine greater than that of England.

Protection is for a weak people. Free trade is for a people who walk on their feet, and who have brains that work."

SPEECH OF HON. F. C. HOWE.

Mr. Howe spoke on The War on Privilege in Ohio. He said: "Sometime I want to bring to the friends of Tom L. Johnson the story of his ten years' war with privilege—that part of it which he neglected to tell in his autobiography. I mean the more intimate revelations of the bitter personal war that was carried on by his enemies. This he forgot to tell in the story of his life. He told that story in an impersonal way. Never in any of his campaigns did he make an attack on any one in an individual way, for he recognized that the system itself was responsible for all the malevolence with which he was assailed.

There will be fewer personal fights as time goes on. Perhaps the war waged by Tom L. Johnson will be the last great fight carried on by an individual against privilege. The war in the future will be fought with the new tools of democracy that are being adopted everywhere in the west.

I wish I could take you to that home in Euclid Avenue where you could see Johnson on the front porch studying philosophy and those deeper questions, the opportunities for the study of which had been denied him in his youth. And I would like to take you in imagination to those Sunday evening gatherings when Johnson surrounded himself with his more intimate friends. For more than any man I ever knew he depended for salace and inspiration on his friendships. Sometimes Mr. Bryan was present at these gatherings. And I remember one evening that Johnson asked him what he would do if he were President, Senate and Supreme Court, and thus had the power to deprive the trusts of their influence for evil. And when Mr. Bryan had given a list of the remedies that he would apply, Mr. Johnson from the wealth

of his business experience, would puncture each and every remedy offered for monopoly and the restraint of trade."

Mr. Howe then went more into details as he recounted the tremendous power that was used to perpetuate the traction monopoly of Cleveland, in which no stone was left unturned. Through Legislature and courts, banks, business interests and social clubs, men were made to feel the awful power that money and privilege were able to set into operation for the defeat of the mayor's plans and the destruction of his friends and supporters.

SPEECH OF JOSEPH FELS.

Mr. Fels was next introduced as the last speaker of the evening, and mounted on a box at the speaker's table he kept the diners in good humor by his genial wit and ready and apt comments. He said that as a general proposition he was in favor of wiping out three kinds of people—the doctors, the lawyers and the preachers. But there were a few among these professions that deserved to live about a thousand years. And I want to say that a member of one of these professions is going to be the next governor of Ohio. When I went to Ohio recently I did so to become better acquainted with this clergyman. This man became a little ashamed of his profession and sold out, and then went cavorting around the country talking real Christianity and the Single Tax. I believe a good deal of the spirit of Tom L. Johnson has passed into the soul of this preacher. I refer of course to Herbert Bigelow.

We are working for the Single Tax and we want it somewhere in the United States, and we are going to bring it about in any constitutional way that will keep us out of jail. And we don't care just where we do get the Single Tax as long as we get it. In China we have a man who belongs to one of the professions I want to see abolished—he is a doctor. This man has been working for 20 years to educate the Chinese in our doctrines and he has translated many of the works of Henry George and others. I refer to Doctor W. E. Macklin. The present provisional president of China has assured Mr. Macklin that he would do

what he could to get Progress and Poverty entered as a text book in the schools and colleges of China.

Mr. Fels commented upon the speech of Mr. Pierce, and said that free trade without its concomitant, freedom of production, would mean but little. On this night there are many thousands in the city of London in a condition of poverty far deeper than anything that we know in this country. Mr. Fels then referred in high commendation to the members of the United Committee who in England have carried on the fight for our principles. It is no secret now that two men, members of this United Committee, sat behind Lloyd George when that gentleman was formulating the details of the British Budget.

This work is going on everywhere, in Denmark, Sweden, Norway, France, Germany, New Zealand, New South Wales, in fact in all the Australian colonies, and only recently three men in Johannesburg by their persistent agitation were the means of getting the Single Tax adopted in that city. Cannot the Manhattan Single Tax Club do as much with hard work?

Mr. Fels paid a feeling tribute to the memory of Tom L. Johnson. He referred in terms of high commendation to the work of Mr. Daniel Kiefer. He asked that those present who had not already purchased Tom Johnson's Autobiography do so now, and twenty copies were ordered on the spot. He then made an appeal for the SINGLE TAX REVIEW and said that it was a shame with over twenty-five hundred Single Taxers in New York that the REVIEW should have such a small subscription list in this vicinity.

He concluded by saying: "In November we shall have an election in Oregon and Missouri. On March 5th Seattle will vote for the Single Tax. You will hear that it has been adopted in that city; then you will hear shortly after that from the courts that Seattle and the Single Tax must travel alone. Then will go up in strong, unmistakable terms a demand for the Initiative, Referendum and Recall from Seattle that will find a nearly universal response all over the state!"

When Mr. Fels had concluded Mr. Leubuscher offered the following resolution,

which was adopted unanimously: Resolved that the Single Taxers of New York assembled on Washington's Birthday hereby send greetings to the great Commoner of Wisconsin and wish him a speedy recovery.

MARCH DINNER OF THE MANHATTAN SINGLE TAX CLUB.

A dinner was given by the Manhattan Single Tax Club at Kalil's Garden, this city, March 16th, at which 174 persons were seated. Mrs. E. M. Murray acted as toastmaster. The speakers were William C. de Mille, author of "The Woman," Mrs. Frederick Nathan, John Moody, and Frank Stephens. Mr. W. C. de Mille spoke of the difficulty of presenting a Single Tax play. Before you can have a Single Tax play that will have any chance of success you must have a Single Tax audience. There must be a responsive sentiment for such appeal; it cannot be created.

Mrs. Nathan spoke on the suffrage movement, and John Moody on the trusts. Frank Stephens, the concluding speaker, gave an eloquent exposition of the Single Tax.

NEWS—DOMESTIC.

BALTIMORE.

Councilman Heatwole at the regular session of the First Branch City Council introduced a resolution requesting City Solicitor Field to furnish a written opinion on the taxation of ground rents. The resolution which was adopted read as follows:

Whereas, It is a basic principle of federal, State and municipal government that all citizens shall give financial support to said governments through taxation in proportion to their wealth; and

Whereas, The holder of what is commonly classed "ground rents" enjoys unusual security in his investment, without in any way sharing the burdens of taxation; therefore,

Be it resolved by the First Branch City Council of Baltimore, That the City

Solicitor be and he is hereby requested to furnish this branch with a written opinion, at his earliest convenience, on the following points:

1. Has the city of Baltimore, under general powers granted by her charter, the right to levy and collect a tax on the income accruing from ground rents?

2. In case the city lacks legal authority at present to levy and collect said tax, would it be within the powers of the legislature to grant such authority?

PITTSBURG.

RAYMOND ROBINS, JAMES R. BROWN AND JOHN Z. WHITE IN PITTSBURG—THE BROWN-MERRICK DEBATE LISTENED TO BY 3000 PERSONS—MR. BROWN AT THE NORTHSIDE UNITARIAN CHURCH.

During the last week of January and first week of February the Men's Religion and Forward Movement held an eight day session in Pittsburgh at which Raymond Robins stirred up the Socialists of the Smoky City by declaring that Socialism was "97 per cent indictment of existing conditions, much overstated and doing violence to the truth, and that it was but 3 per cent constructive and that very bum." A clergyman present challenged Robins to discussion which, of course, his several engagements every day while here made impossible. However, a group of socialists became so belligerent in challenging Single Taxers to debate that this challenge was accepted by R. E. Smith a prominent business man, of Pittsburgh, and a debate was arranged between F. W. Merrick, editor of *Justice*, a socialist weekly paper published in Pittsburgh, and James R. Brown of New York, which came off in the Lyceum on Sunday afternoon, February 18. Although but little advertised an audience of 3,000 was present. Single Taxers usually deprecate such debates, and as a rule very little is gained by such discussions. However, political conditions about Pittsburgh and throughout Pennsylvania have driven many into the Socialist ranks who have no knowledge of any other remedy for the economic

evils afflicting society. This was made apparent by the many who frequently applauded the remarks of Mr. Brown and also by the earnest attention given him throughout his entire address by a vast majority of the audience. Of course, there was a group of enthusiastic Socialists that applauded vociferously every point which Mr. Merrick emphasized with vigorous language, but they were in a minority, although four out of five of the vast audience present no doubt classed themselves as Socialists. An encouraging sequence to the debate has been a request from quite a number who were present for Single Tax literature. A basket collection taken realized \$158.00. Mr. Brown addressed the North Side Unitarian Congregation on Sunday evening, breaking in on the regular programme of the evening by taking a part of the pastor's time. In speaking of the Bowery Mission he said that so frequently did the orthodox ministers who addressed the mission read the story of the prodigal son that the 15th chapter of Luke was torn from the Mission bible. Brown was present at the Hungry Club on the 19th and made some remarks taking issue with the speaker of the day.

John Z. White made a number of addresses in Pittsburgh beginning on Wednesday, February 21, at a dinner given by the Rotary Club.

At a luncheon on Thursday he addressed the Credit Men's Association. On Thursday evening he addressed an open mass meeting at Wilmerding. Friday evening he appeared before the Brotherhood of the Second Presbyterian Church of Wilkesburg. On Sunday evening, Feb. 25, he occupied the pulpit of the Northside Unitarian Church.—L. S. D.

NEW JERSEY.

A bill introduced by Assemblyman Chas. O'Connor Hennessy, of New Jersey, permitting every district of the State to adopt its own tax provisions, was considered by the House Committee on the Revision of Laws on March 4th, and its advocates were accorded a hearing.

Joseph Fels, George L. Rusby, John H.

Adamson, and Chas. H. Ingersoll, were the Single Taxers who spoke in favor of the bill. Mr. Fels described the operation of the exemption of improvements in Vancouver, which he said had demonstrated the feasibility of such exemption. Mr. Rusby gave a list of the numerous influential bodies that had endorsed the principle of the bill. He was obliged to answer a fusillade of Single Tax questions, for the hearing could not be confined to local option or exemption of improvements, but took a wider range.

Mr. Rusby said in part:

"Those municipalities choosing to exempt personal property and improvements from taxation would alone assume all of the responsibility for doing so, and if the plan should result satisfactorily (as has been the case in every country in which it has been tried), other communities would naturally follow in adopting the same change; if the result should be unsatisfactory, quite naturally other communities would not follow."

W. S. U'REN VISITS CALIFORNIA.

W. S. U'Ren, of Oregon, delivered an address in the San Francisco Building Trades Temple on the evening of Tuesday, February 20, under the auspices of the California League for Home Rule in Taxation. He brought the latest message from Oregon, which is that those who are enlisted in the fight for the people are keeping up their work from year to year, and will continue to struggle for something additional at each election, that will help the cause of political and economic freedom.

Referring to the decision of the U. S. Supreme Court sustaining Oregon's initiative and referendum enactment, the speaker said: "I see the Supreme Court has decided not to stand in your way if you wish to extend the powers of the people in governing themselves. It seems to me that this is prudent as well as good law. You remember what was said by Mr. Dooley on this point. 'As to whether trade follows the flag, I dunno, but it do appear that the

Supreme Court do follow the election returns' (Laughter and applause.)

That the business of governing pays big dividends was shown by the fact that Rockefeller and Carnegie realized their greatest dividends during the time in which they were the most active in governing. If it pays those persons to govern then as a business proposition it will pay the people to govern themselves. "It's your government, and you may run it if you wish to do so, or you may let others run it and rake off the profit, but if you do you have no one to blame but yourselves, and you have no just ground for complaint," said Mr. U'Ren.

We looked to organized labor to be the pioneer in the matter of having the people govern themselves. Organized labor and organized farmers (the State Grange with its county organizations) had been the pioneers in Oregon, and through them the successful work of the People's Power League had been made possible.

In Oregon the plan is never to let an election go by without submitting an amendment that will give a greater share of authority and a greater share of the opportunity of the country to the people, and this idea must be followed in California if the people expect to advance. There are some big paper mills in Oregon City where U'Ren lives, and they all protested against the 8 hour law, as they were in the habit of working their men in two shifts—one of 11 hours and the other 13 hours, so as to keep going night and day, and the managers declared that it was impossible for them to stand the expense of an 8 hour rule. But the companies seem to struggle along under the burden. Just so it was when the people got tired of waiting for the legislature to enact an employers' liability law, and through the initiative put a statute of their own devising on the books. The big companies said they couldn't afford that, either, but they had to submit, and now the stretcher bearing injured men does not cross the river from the big mills as frequently as before. He looked on that as worth a great deal.

Touching home rule in taxation, which had been broached by the society before

which he was speaking, Mr. U'Ren explained that the foundation had been laid in Oregon, and an effort is being made to bring it to a definite conclusion at the election this autumn. The result rests with the people. If they want it they can have it, just as the people may have it in California. In several counties the necessary legal steps have been taken, and the people of Oregon will be called on to decide.

"Oh, this home rule in taxation means the Single Tax," cried some who are opposed to progress in any form, said Mr. U'Ren. "We told them that they were mistaken, that it didn't mean Single Tax any more than it means double tax, but at the same time we gave notice that we would do our best to introduce the Single Tax plan if the local option plan is carried, and as Single Taxers are rather active, we comfort ourselves that by convincing the thinking voters of the justice of our plan we have a fair chance to win. (Laughter and applause.) But at the same time others who have schemes of taxation that they consider better have an equal chance before the voters, and have the same opportunity to submit their proposition for settlement at the ballot box. Seriously, we expect that the people will see the reasonableness of our idea, and give it their support, and when they have had a few years experience with this scientific plan of taxation they will see that it is a mighty good thing, and will finally insist on putting into operation the Henry George plan of taxation no matter who oppose it." (Applause.)

A little story of Everett, Wash., and Vancouver, British Columbia, was referred to in a way that was luminous as well as humorous. Mr. Smith owned a block of vacant land in Everett, and announced that he had decided to erect a 4-story brick block. Several months later an Everett booster complained that he didn't see any signs of the promised brick block. So Smith explained that he owned land in Vancouver as well as in Everett, and finding that he could get as much rent in Vancouver as in Everett, and as his building would not be taxed in Vancouver, while it would be heavily taxed in Everett, he had erected his brick block in Vancouver, and filled it with tenants, leaving the land in



KARL FREDERICK
WILHELM VAN DER
LEEDEN
Late President of the League.
Born 1828, died 1909.



A. POHLMAN



W. R. VAN DER LEEDEN
Hon. Secretary League of German
Bodenreform.



J. K. VICTOR



RUDOLPH SOHM

Everett vacant, as the American tax laws made it profitable for him to do.

Mr. U'Ren reminded his hearers that California has the reputation of being a right smart State, and that in Oregon California is looked up to in these matters. He hoped that the people here would set a good example as they have in the recent past, and help the Oregon progressives by continuing the good work that has been so well begun in California.

Mayor J. Stitt Wilson of Berkeley spoke of the initiative proceedings that have been inaugurated by the California League for Home Rule in Taxation, and announced that a petition will be started soon to secure the 30,000 signatures necessary to place the proposed constitutional amendment on the ballot next November.

Referring to the proposed purchase of the Home Telephone Company's system by the cities of San Francisco, Oakland, Berkeley and Alameda, Mayor Wilson said that the managers of big business never object to having cities own all kinds of parks, playgrounds, or any other sort of property so long as it would be a source of expense, but just as soon as the cities wanted to own anything that might be made a source of profit to the cities, then a howl was made against municipal ownership. The things that pay are the things that the people ought to own, and they are the things that they are determined to own. (Applause.)

All citizens were urged to register in order that they may vote in favor of the proposed constitutional amendment which will allow cities and counties to exempt from taxation any form of property they desire, and to impose all the taxes on land values if they deem that plan the best for the community. While that is not necessarily involved in the adoption of the amendment, in all probability that would be proposed, and as in other places the side with the best arguments and the most logical reasons would stand a good chance of success before the people.

Judge James G. Maguire made a preliminary statement of the work of the League for Home Rule in Taxation.

Hon. John L. McLaughlin, State Commissioner of Labor, presided, and on behalf

of the citizens of San Francisco extended an expression of thanks to Mr. U'Ren and the other speakers for their valuable and interesting addresses. — WELLS DRURY, Berkeley, California.

TAXATION IN A GERMAN CITY.

By WILLIAM DUDLEY FOULKE.

(From Presidential Address, November 13, 1911, Before National Municipal League.

The system of taxation is extremely complicated and the basis is so different from that which exists with us that I could not ascertain whether the Frankfort citizen pays more or less for municipal benefits than the inhabitant of a corresponding city in America. The amount of tax imposed upon any particular thing seems reasonable, but in the aggregate the sum is considerable. Personal property, especially choses in action, bonds, notes, stocks, mortgages, etc., and things liable to sequestration, are not directly taxed as with us, but an income tax, imposed by the State and supplemented by an addition in the city, reaches the interest and dividends from these objects. The taxes upon buildings and upon land, as well as upon trades, have been renounced by the State; such taxes are imposed by the city alone. These taxes are graduated. In the tax upon trades, returns amounting to less than \$750 a year are free. The taxes imposed upon standing industries are levied in four classes according to the amount of profit or the value of the establishment and the capital employed.

Taxes upon improved real estate are not laid, as with us, upon their estimated value, but upon the actual gross rental received during the preceding year; the theory being that these taxes are to be paid out of the rent. If the building is to be used only part of the year, taxes are paid for that proportionate part only. This total rent received, however, is not the measure, if it differs greatly from all the rental values in the neighborhood, or if it includes the use of personal property, or depends upon the result of an industrial

undertaking or other uncertain events, or where the owner occupies the property himself or allows another to do so without compensation. In that event, the rental values of the neighborhood determine. If the property for other reasons is unrented or unused, no tax is paid. The house tax is four per cent. of the gross income, but this rate is increased by a graduated scale for every dwelling whose rental value exceeds \$125.

On unimproved real estate the tax is laid upon the value of the land. A new valuation is made every three years. Two members of the municipal board and seven of the representative assembly form the tax committee to levy this tax, and it is collected in quarterly installments.

Churches are not supported, as with us, by voluntary contributions, but their members pay a church tax which is divided proportionately among the Jewish, Catholic and Protestant communions. Any citizen may withdraw from a church and avoid the tax; but the Oberbürgermeister told us that few do so because the women want the men to belong.

But the most remarkable feature of the taxing system of Frankfort is the tax which is laid when property is transferred—a tax on unearned increments of land values. There is no city tax upon transfers by inheritance, though there is one imposed by general government. It is curious to note the progress of this tax upon the unearned increment in German communities. It was first established in 1898 in the German settlement of Kiautschau, in China, where the government evidently intended to avail itself of its opportunity to receive part of the benefit of increased values from the growth of a new community. In Germany this tax also began with the municipalities. Two cities in Saxony adopted it in 1902. The first town to apply the name "increment tax" was Hellersdorf, in 1903. One year afterwards Frankfort established this tax, and six hundred and forty-two other communities have followed, among them the most important cities of Germany. In February of the year 1911 the imperial government passed a general increment tax law in the Reichstag by a vote of 199 against 93. The municipal increment tax

is allowed to continue for five years. After that time it must cease, and the city is to receive a small proportion of the general tax.

The Frankfort increment or transfer tax, as it is called, passed in 1904, provides that every change of ownership, not depending upon inheritance, is subject to a city tax of two per cent. of its value, and if since the last preceding transfer less than five years had elapsed in the case of improved or ten years in the case of unimproved property, and there has been an increase of value of 30 per cent. of the former price, a supplement is imposed for this two per cent. tax as follows: Five per cent. for an increase up to thirty-five per cent., six per cent. for an increase up to forty per cent. seven per cent. for an increase up to forty-five per cent., and so on; one per cent. being added for every five per cent. increase until the total tax reaches twenty-five per cent. Expenses for permanent improvements are deducted; also loss of interest and cost of maintenance for unimproved property, less the income therefrom. If property is sold by a mortgagee, however, the tax is collectable only out of the excess. In case of exchange of property it is levied only once and upon that piece whose value is increased the most.

From the Spanish Single Tax League we have received a Spanish copy of the A B C of the Land Question; a manual for students and orators, by James Dundas White, translated into Spanish by the indefatigable Secretary of the League, Antonio Albendin. Readers of the English edition of this little book will remember that it contains many bright and pungent illustrations showing the necessity for and the real justice obtained by the imposition of a tax on land values which shall force out the speculators and open the land to home seekers and producers. We congratulate Mr. Albendin and foresee much good resulting from his work.

Will our friends send us lists of Single Taxers in their cities and towns. Ask them if they subscribe to the REVIEW.

CLEVELAND.

Our cause has had free but gilt-edged advertising in Ohio for several months, thanks largely to the Rev. Herbert S. Bigelow, of Cincinnati and to our short-sighted enemies.

Bad as is the constitution of this State as regards taxation, and in many other respects, it did require the legislature to provide for a constitutional convention at this time, a little piece of thoughtfulness which goes far to atone for the mistakes of our forefathers who drafted the old charter.

Backed morally, if not financially, by the late Tom L. Johnson, Mr. Bigelow started in many years ago to win the voters over to the Initiative and Referendum. How well he succeeded is now a matter of history. Thousands of his friends and supporters did not realize, until after the election of delegates to the convention last November, how thoroughly he had done his work.

United with vast patience, winning manners, and singularly tactful and persuasive speech, Mr. Bigelow possesses abilities that rank him as an astute politician of a high order. He was the motive force in the State-wide campaign for the I. & R. He succeeded in uniting the granges and the trade unions in a harmonious campaign of his own devising.

Result: 61 delegates out of 119 pledged in writing to the I. & R. with fixed percentages.

As president of Ohio's constitutional convention, Mr. Bigelow is now looming up as a very big man in the old Buckeye State. Had he used his talents for political management on the other side, it is not too much to believe that wealth and high office would have been his reward.

Organized opposition to the I. & R. was conducted by the Ohio Chamber of Commerce, over which Allan Ripley Foote presides, and whose membership includes the heads of many of our public service corporations. Mr. Foote and his lobbyists always won whenever Mr. Bigelow asked the legislature to submit to the people an amendment to the constitution providing for the I. & R., but when the

question was brought to the people, even our enemies, astonished beyond measure, acknowledged that the principle had won.

Can there be better evidence that our legislators often do not correctly represent their constituents?

But as to the advertising of the Single Tax, Mr. Bigelow was, of course, well known as one of our number. He had never concealed the fact. The opponents of the I. & R., however, made him and his Single Tax belief the center of attack. Their appeal has been principally to the farmers, who have been told that Mr. Bigelow's motive was to use the I. & R. to rob them of their land.

If there is any one in Ohio who hasn't heard of the Single Tax during the past few months, it is because he doesn't read the organs of Special Privilege or couldn't otherwise be reached by the Ohio Chamber of Commerce.

The latest move is to picture Mr. Bigelow as a socialist. The *Cleveland Press*, one of the Scripps-McRae newspapers which have done valiant service in our democratic movement, says that postcards are being sent all over the State ridiculing the I. & R. and calling Mr. Bigelow a disciple of Marx. Despatches were sent out from Cincinnati gravely stating that in a sermon he declared that socialism was to him a religion.

In the convention itself the opposition is along two lines: First, to get as high percentages as possible; and second, to have inserted a provision that the I. & R. shall never be used to obtain the Single Tax.

We have had good advertising, too, from the president of the Western Reserve University of Cleveland, who publicly referred to the Single Tax as quackery. J. B. Vining, president of our local club, politely requested President Thwing to come before the club and make good, but he hasn't accepted the invitation.

We haven't much of a Single Tax organization in Cleveland. A few of the faithful whose work hours will permit, meet every Thursday at a restaurant opposite the city hall and have a room to themselves from 12 to 2. The city hall is said to be full of Single Taxers, just as it was during Tom L. Johnson's long tenure of office.

The Single Taxers take their friends to luncheon here, and a speaker is usually on hand. On March 7, Prof. C. A. Bowgher spoke on "Is the Single Tax fundamental?" The only event of this kind that has attracted any attention from the newspapers was an address by Walter W. Pollock on "City Wide Congress for Cleveland," for the discussion of public questions. The *Cleveland Press* had a long editorial commending the idea, and suggested that the \$12,000 which has been raised for a Tom L. Johnson memorial be used to endow such a congress.

Our good old Single Tax enemy, ex-Governor Herrick, now ambassador to France, has been making some admissions to the effect that there is something wrong in the farming communities, and that, in truth, the farmer isn't getting his share of the tariff plunder. His remedy is to have the farmers form co-operative trusts and borrow money at a low rate of interest. Colonel Herrick is a money lender as well as a tariff beneficiary.

I have asked the colonel and the college professor who promptly applauded him, if cheaper capital and improved methods wouldn't tend to raise land values rather than wages, and therefore make it harder for the poor man to engage in farming. They have not honored me by their notice.

Thoughtful people are beginning to be worried over the farming situation in Ohio. What has taken place in New England is going on in this fine old agricultural State. When the farms of New England were abandoned, it was explained that the soil was poor anyway. That explanation will not suffice in the case of Ohio, and so our apologists for the existing order are talking of high interest rates, unscientific farming methods, and the superior attractions of city life. They shut their eyes to the great fact that farming land is held at practically prohibitive prices. They never mention it, and can't even be drawn into a discussion of that grave feature. But they are willing to do almost anything else, even to having agriculture taught in our country schools.

I don't decry education and better farming methods. I am a graduate of an agricultural college, and love the old place,

and believe that it might do good under a just industrial system. But of the hundreds of grim and awkward though capable and hardy boys who passed through that school at the same time, I can recall only two who took up agriculture as an occupation, and they inherited good farms.

Now, agriculture is to be taught in our district schools! I have often thought that if a new Gilbert and Sullivan combination could get hold of that idea, and of our agricultural colleges, and of that ridiculous and huge bunch of scandals at Washington known as the department of agriculture, a hit could be made on the stage. There are elements of comic opera in an agricultural school that turns out lawyers, bankers, doctors and commercial travelers, as I have known one to do; and some of the documents sent out by our \$20,000,000 extravaganga at the Nation's capital would make the stage comedian wriggle with delight.—HOWARD M. HOLMES, Cleveland, Ohio.

THE FIGHT IN SEATTLE.

The good fight has been fought in Seattle, and has been lost. The opposition has won the battle but we shall win the war. Out of the first engagement we have won something, and that is a Single Tax mayor in the person of George F. Cotterill, who has defeated Hiram Gill. The latter attributes his defeat to the Single Taxers, and elsewhere in this number our correspondent, Mr. Atkinson, returns the compliment by attributing the defeat of the Single Tax measures to Mr. Gill. These are the graceful amenities of the conflict that has just closed.

Here is the vote on the two amendments, the first providing for a gradual adoption of the Single Tax principle, the other for its immediate adoption.

The Griffith's Amendment:

7,932 affirmative.
31,390 negative.

The Erickson Amendment:

12,323 affirmative.
35,470 negative.

The causes of the defeat may be sought for in many directions. Yet after all is said and done, there is but one cause. There remains a vast deal of education yet to be undertaken before a permanent victory for the Single Tax can be secured. The knowledge of the principles for which we contend must be made so general a possession in the minds of the people that the silly arguments of the *Post Intelligencer* will cease to be printed in any newspaper that respects the intelligence of its readers. The Single Taxers of Seattle, if they would win a victory in the next election, must now start out on a campaign of propaganda that will acquaint every voter in Seattle with the arguments in favor of the removal of taxes from improvements.

There are other incidental reasons for the small vote cast for the Single Tax amendments, which may be briefly indicated. It was, first, a decided disadvantage that there were two Single Tax amendments to be voted for, and another serious handicap were the number of amendments on the ballot, 27 in all. This was confusing, and prevented the two amendments from receiving the proper attention of the voter. It is doubtful even with the very aggressive and active campaign waged by the Single Taxers of Seattle that our cause received anything like its proper share of consideration.

There was no newspaper support for the Single Tax amendments, except the *Star*, and the movement was persistently misrepresented. This misrepresentation could not be overcome in time. If the story of Vancouver could have been laid before the people in its true light the result might have been different, for the experience of this Canadian city was not set before the people. If the Vancouver Number of the SINGLE TAX REVIEW, in which the story of Vancouver is told in detail, had been placed in the hands of the voters there would have been a very visible increase in the Single Tax vote.

The idea that the measure was unconstitutional also operated to prevent the full vote in favor of Single Tax and this notion was not confined to the opponents of the measures. Many votes were prob-

ably lost owing to the attack upon the constitutionality of the measures.

The Single Taxers expended in the fight \$2,145.30, and splendid work was done by Miss. Margaret Haley, Thorwald Seigfried, O. T. Erickson, Will Atkinson and many others. Alfred D. Cridge, of Portland, Oregon, the valued Oregon correspondent of the REVIEW, made eighty speeches during the campaign, and there were scores of public debates.

In enumerating the newspaper support received, we have omitted the *Western Woman Voter*, which for the time made itself a Single Tax periodical. Its highly intelligent presentation of our doctrines must have won many votes.

When the result was known Oliver T. Erickson wrote as follows to the *Star*, which will show the spirit animating our friends in the face of defeat, a spirit which will win coming victories:

"If the Single Tax is defeated, we are ready to begin the fight again. It was unfortunate that so many issues were before the people at the same time. We shall go on, and on, unmindful of temporary set-backs, until this thing which we are working for, fighting for, is understood. Then we will win. The *Star* made a remarkable campaign for Cotterill and deserves all the credit."

OREGON.

Oregon is moving along very jauntily to the State election in November confident of being able to survive and thrive even if from thirty to forty measures are on the ballot. Among them will be at least six tax measures, and that the question of the Single Tax cannot be treated with silent contempt is clearly apparent. The official organ of the State Grange of Oregon and Washington, the *Pacific Grange Bulletin*, has articles pro and con in every issue. The editor deplores the fact that the arguments against are such poor dope, and says he is anxious to publish any argument against it, but has not received any yet that amount to much.

W. S. U'Ren has had two or three

debates, and has others in prospect. The chief argument against is that of "confiscation," and the "poor widder."

At this writing it is expected that the local measure for Multnomah county, embracing 38 per cent. of the land values and population of Oregon, will be out for initiative signatures the last ten days in March. It will be a strong, long, fundamental step, and put the people effected into a higher rank of Single Tax communities than nearly any on the globe. Other counties may follow with the same or similar measures.

A State wide measure taxing water power and franchises and exempting some personal property, will be out for signatures at the same time. It is not fundamental; but "there's a reason" for its being.

Even the Socialists are considering the land question; and at their State convention in a few days will attempt to agree on some initiative measure.

"The Single Tax Broacher" is in press at this writing, and is compiled and issued by W. D. Wagon, W. G. Eggleston and the undersigned. It has over 16,000 words of reading matter and a lot of ads. There will be 50,000 copies distributed free. Others may follow.

At first the plute press was disposed to go wild with delight over the skirmish in Seattle, but on second thought the election of George F. Cotterill as Mayor, in spite of the assaults on him as a Single Taxer, is not regarded as a plutocratic victory, even if a half way and probably unconstitutional land tax measure was not accepted.

Seattle has a mayor who knows why 25,000 people have left Seattle in the last eighteen months, and why 25,000 more are going to British Columbia. And he is not going to hide his light under an office desk.—ALFRED D. CRIDGE, Portland, Oregon.

THE SEATTLE SINGLE TAX FIGHT.

It was or rather is a great fight, for in the immortal words of Finnegan, it is "Off again, on again, gone again." Our new initiative petition for a Single Tax amendment to our charter is now being

printed and before this reaches you we will be getting signatures. I enclose a copy.

Margaret Haley of Chicago, California and Seattle was a human dynamo of energy, eloquence and pertinacity. She was never still and when not speaking was handing out literature.

She has a flutelike voice of remarkable carrying power and is a wonderfully effective street speaker.

I heard her only twice in halls, for on all other occasions we were assigned to different meetings, but she made converts everywhere she spoke, and the unusual spectacle of a charming, vivacious woman speaking on the streets drew such crowds that she undoubtedly did her best work there.

We fought the best organized opposition that the Single Tax has ever encountered. We are told that the big property owners spent over twenty thousand dollars in fighting it directly.

Hiram C. Gill, the mayoralty candidate of the alliance of vice, liquor and special privilege interests, is said to have spent fifty thousand dollars more and in nearly every speech he attacked the Single Tax and George F. Cotterill because he was a Single Taxer, open and avowed.

The day after election Gill openly conceded that his defeat was due to the Single Taxers, but his adroit attacks also had much to do with the Single Tax defeat. In addition, the two leading papers had daily editorials attacking the Single Tax and we had no effective way to answer. The *Post Intelligencer's* favorite argument was that it was unconstitutional and the *Times* scared small home owners by declaring that its adoption would mean the foreclosure of all mortgages.

But for the complications of the mayoralty campaign and of voting on twenty six other charter amendments, on over eight million dollars of bonds and of important civic and harbor plans we might have won. But next year we will have a clearer field and we are starting the fight now.

Twenty thousand of those who voted for mayor did not vote at all on the amendments.

If each of the sixteen thousand Single Taxers here will convert one anti within

the next year we will win next time. We are not discouraged, but see victory in sight. We forced the enemy into the open and compelled them to organize and to talk back.

Many influences, not Single Tax, are fighting for us. For instance the Port Commission severely scored the land owners whose greed is ruining Seattle by driving industries away and the Municipal League got out a very effective Anti-Monopoly cartoon and condemned the landlord trust.

George F. Cotterill, our new mayor, is one of the Vice Presidents of our Tax Reform League which made the fight for the Single Tax amendment.

No city on earth has a more devoted and self sacrificing band of Single Taxers than Seattle, and their energy, persistence, ability and altruism will bring success next year.—WILL ATKINSON.

THE LEADING LAND REFORMERS OF GERMANY.

There will be found elsewhere in this number portraits of many of the leading land reformers of Germany, and our readers will be interested in their personalities.

Adolph Damaschke, perhaps the most active with tongue and pen, was born November 24, 1865, and from 1886 to 1896 was a teacher in the schools of Berlin. He has been one of the foremost leaders of the land reform movement since 1896. He is the editor of *Bodenreform* and the *Year Book of Bodenreform*. He is the author of a number of works, among which are *The Problems of Communal Politics*, *Bodenreform*, from which some striking extracts will be found on page 1 of this number, *History of Political Economy*, *History of the German Land Reform Movement*, and *the Art of Popular Speaking in Public*.

Prof. Adolph Wagner, Honorary President of the League of German Land Reformers, and member of the Prussian Upper House, was born in Erlangen, in 1835. He stands high among the fiscal and economic authorities of the empire, and has been professor of political economy

at Berlin since 1870. His work on *Political Economy and Financial Systems* is regarded as the standard work in Germany.

J. K. Victor, Vice President of the League of German Land Reformers, is president of the Chamber of Commerce at Bremen. He is the author of many essays on land reform in German colonies, and has written much and well against monopolies and German colonial concessions.

Rev. Ludwig Weber, another of the vice presidents of the League, born 1846, is one of the most energetic leaders of social reform in Germany, and is especially interested in sanitary buildings for the working classes. He is president of the League of Protestant Workmen.

A. Pohlman was led to study the Single Tax question and to become an enthusiastic supporter of land reform by his experience gained as a merchant in the Brazils. He was the founder and for 15 years the chief of a commercial establishment ranking among the first of its kind and still bearing his name in two of the northern States of that country. During that period extensive travels in the old and the new world brought him into contact with many men and many countries, and the various conditions under which they live heightened his interest in national economy.

In 1893 he retired from business, settling down in his native country, but with prolonged stays abroad chiefly in England and France. His views soon brought him into touch with Mr. Damaschke and since he joined the League, he has been one of his most ardent and faithful supporters. His principal aim has been to find out what Henry George's theory means, if shaped into practical acts of law and how it may be adapted to existing forms of national conditions without barring, what seems to many of our German friends, the course of historical evolution.

Beside numerous contributions to the *Bodenreform* and other periodicals, pamphlets on the agricultural problem (*Not der Deutschen Landwirtschaft und die Bodenreform*), the question of the German Midland Canal (*Die vergessene Grundrente*), and the land valuation (*Der erste Schritt zu gesunden Finanzen*), he has written

a book upon the fundamental principles of national economy in which he proves the correctness of Single Tax views by arguments hitherto not commonly used.

Carl Marfels, born 1854, is vice chairman of the League, editor of the *Watchmaker's Journal*, and chairman of the League of German Watchmakers.

Max Romer, another of the vice presidents, is one of the leading land reformers in Rhenish Prussia, and is a most enthusiastic friend of the movement in Germany and its most liberal promoter.

Heinrich Erman, born in Berlin 1857, is chairman of the Land Reform League's branch in Westphalia. From 1883 to 1902 he was Professor of Laws at Lausanne and Geneva, and since 1906 Professor of Laws at Munster.

Prof. Dr. W. Rein, another active land reformer, was born 1847, and since 1886 has been Professor of Pedagogy at Jena.

Karl Frederick William von de Leeden, whose picture appears among the others in this issue, died in 1909. He was born in 1828, and was a member of the Prussian Diet in 1861. From 1880 he took a most active interest in the movement for land reform in Germany, and gave it his untiring support.

Among others whose portraits appear in this number are A. Karl Polenske, vice president at Halle, whose pen is active in land reform work, and Rudolph Sohm, born 1841, who was Professor of Laws at Freiburg in 1870, at Strassburg in 1872, and at Leipzig in 1887.

Last but by no means least is Dr. W. Schrameier, born 1859 and living 25 years of his life in China. First he was in the Consular service from 1885 to 1897, living in Peking, Shanghai, Canton, Tientsin, Hongkong, Chefoo; after the taking of Kiaochow he was transferred to that place as Imperial Commissioner in order to organize the Civil Administration. It was on his suggestion that taxation was based there on strict Single Tax lines. In 1910 he left the service on account of failing health.

AGENTS are wanted in every city to canvas for the SINGLE TAX REVIEW.

THE DRESDEN CONFERENCE OF GERMAN LAND REFORMERS.

(See frontispiece.)

The annual conference of the League of German Bodenreformers took place last June, from the 4th to the 7th. A few days prior to that there had been a dinner of eighty persons, which had been arranged for by Mr. von Schwerin, one of the most active members of the League. At this dinner were the mayor of Dresden and an admiral of the fleet.

Mr. Adolph Damaschke delivered an address, on "What are the social duties of our upper class?" We quote from a report of this speech as sent to the *Public* of Chicago, July 28, 1911, by Dr. W. Schrameier:

"He recalled the times when the courtiers around Louis XVI and Marie Antoinette felt bored by the demands of the Physiocrats, Turgot's 'impot unique,' and ridiculed their warnings. The evil sores on the public body that originated from mis-using land, 'the original inheritance of the whole species,' they thought to cure by laying on the perfumed rouge of charity. Mr. Damaschke then dealt with the social abuses in this country in connection with the unjust distribution of wealth. He gave statistics as to the number of married women working in mills and factories, statistics as to human dwellings where one room has to suffice for five—men, women and children,—statistics as to criminal offenses and corporeal diseases. Could these evils be removed by charity? Was there no other way that led out of this misery? Lassalle had not detected it. Quite unjustly he arraigned the employer, and expected everything from advanced wages and pecuniary assistance; he did not recognize the fact that advanced wages will be absorbed by an increase of rent. We had still to learn the truth as proclaimed by Henry George, that Bodenreform is at the bottom of every other reform. Ground rent belongs to the community and should return to it, not to a few speculators nor to those who regard land as something created by men.

After Mr. Damaschke had finished, Mr.

von Schwerin while thanking the speaker, added a few instructive remarks on the Physiocrats, Henry George and the Single Tax."

Later Mr. Damaschke furnished a gratifying report of the progress of the League. Receipts and expenditures had risen to 54,000 marks, and the treasury showed a balance of 4,000 marks. Public bodies and professional associations to the number of 583 had joined the League, and these represented a membership of 800,000 persons.

Mr. Damaschke spoke of the future policy of the League. The first step was the valuation of land. The League would endeavor to secure the taxation of the site values of the colonies. It would urge the same policy for the whole empire. He pointed out the anomaly of a poll tax in Germany which countries like China and Turkey had discarded.

Mr. Joseph Fels spoke of the activities being urged in other countries and praised the city of Vancouver as being the first large community on the American continent to adopt the Single Tax. He told the story of his own conversion as are formed monopolist, and aroused much enthusiasm.

Among those present at this conference, whose faces are shown in the frontispiece, were A. Damaschke, Berlin; A. Pohlman, Detmold; W. Topp, Erfurt; Jos. Hirsch, Melbourne; Dr. von Schwerin, Berlin; Dr. Kühner, Eisenach; Dr. Schrameier, Berlin; Dr. Kuhn, Leipzig; Max Romer, Opladen; A. Diener, Gotha; Joseph Fels, London and Philadelphia; R. Berg, Berlin; Dr. Liebetrau, Gotha; Max Knorr, and many others.

SEND a dollar to the Fels Fund Commission (Cincinnati, Ohio) and get 40 copies of Protection or Free Trade. The Commission are aiming at the circulation of a million copies.

Each book can be mailed to any address under the Congressional frank as it is part of the Congressional Record.

In the *Kansas City Times*, of March 14, W. E. White answers the Single Tax queries of R. P. Lukens.

THE LAND REFORM MOVEMENT IN GERMANY.

AT THE PRESENT DAY.

(For the REVIEW)

By GRACE ISABEL COLBRON.

About five and twenty years it is now, since the first timid beginnings of the Land Reform movement in Germany, since a few ardent souls began preaching the doctrines of Henry George, the economic creed that values created by the community belong to the community. The quarter century of earnest labor for the cause has, in some ways, been astonishingly successful. The last twelve-month has crowned it with the official acknowledgment of an Imperial Government Act making it a universal law for the German communities to take their share of the unearned increment.

The test of a great Truth lies therein that it may be taught and practiced in many different ways without sacrificing its fundamental qualities. The surface unessentials may be adapted to suit differing conditions, but the basic principle remains the same always. The Land Reformers, as the German Single Taxers style themselves, have had to make their fight along different lines from the methods used by the followers of Henry George in his own country. They have advocated some measures which to us here seem unnecessary and cumbersome, but the preaching of their acknowledged leaders, as can be seen in some of the articles published in this number, has held fast always to the great basic principle of restoring to the community, for the good of all its members, that part of the wealth which is produced by the community as a whole, and not by the exertions of any one individual.

The fight has been made in Germany largely through organization,—and through an organization, at that, which has kept itself rigorously aloof from all affiliation with party politics. In this country such a policy would mean nothing but a barren campaign of education, valuable enough as part of the work but insufficient to

achieve actual results. In Germany events have proved the wisdom of the course, even if we here cannot always sympathize with its expression.

Two important factors combine to make the policy of a non-partisan organization a wise one for the introducing of a new economic creed in Germany. The first is the fact that Germany is the home-land of organization. The jesting saying: "If two Germans should meet by chance in the Desert of Sahara they would immediately organize a club," rests on a solid foundation of truth. The co-operation of community life, the fellowship of association in an organization, is the way things get done in Germany. The individual feels lost without his organization back of him. Keeping this in mind it is easy then to understand how the entire land reform movement in Germany centres in, and goes out from, the great organization calling itself the Bund Deutscher Bodenreformer. (The League of German Land Reformers).

And the fact that German communities enjoy almost complete Home Rule, that municipal administration has nothing whatever to do with politics, explains why a non-partisan organization can do a tremendous amount of actual work towards attaining new and just methods of taxation. The organization aims to educate the administrative bodies in the communities. And when these administrative bodies have "seen the cat," they can introduce the new methods of taxation as a measure of municipal housekeeping, for in Germany municipal housekeeping stands on its own feet and has nothing whatever to do with that mysterious thing called "politics." Bureaucratic red tape may stand in the way, and frequently does; but legislative lobbying is a negligible quantity.

The radicals among our Single Taxers here (the writer confesses to being one of them) feel surprised if not actually repelled by the official attitude of the Land Reform League towards some important political questions of the day. For *we* are inclined to look upon such questions as more economic than political in the narrower sense. But after all the men at the head of the German League know their own

country best, and the results they have attained would seem to have justified their policy. It would lead too far to attempt here to explain some of the intricacies of German internal politics, and to show just how the League has had to navigate its course that it might make representatives of the Extreme Left and the Extreme Right—and all the grades between—work together in harmony for the Cause. The tale would not be altogether without interest, but our space at this time is to be devoted to a summary of the methods of actual propaganda work in Germany and the results attained thus far.

The Bund deutscher Bodenreformer is an immense and rapidly growing organization. With a list of individual members running up to many thousands it includes in its ranks as well, under the designation "corporate members," numerous other associations, clubs and trade unions. Also this is an interesting and specially German phase of the movement—a large number of communities, from towns of considerable size down to rural villages, have joined the League in a body, represented by their administrative Council.

The central administration of the League is situated in Berlin, in its own house, No. 11 Lessing Street. The president—practically permanently—is Adolf Damaschke, who for more than twenty years has been devoting his time and his eminent ability to preaching the doctrines of Henry George, by the spoken and written word. Local Leagues scattered throughout the country are banded together in a central body in their own sovereign State, by means of which each little local league keeps in touch with headquarters, in Berlin.

The superficial methods of propaganda work are very much the same as elsewhere. Meetings, sending out of speakers, distribution of literature, letters to the press, all such work is carried on eagerly from the Berlin house as well as by the local leagues. The League has its own organ, the bi-monthly *Bodenreform*. This magazine can look back on twenty years of existence, during which time it has borne several names. It appeared first as a monthly under the title *Frei Land*; then it was

called *Die Deutscher Volkstimme*; now it comes out openly as *Bodenreform*. Mr. Damaschke, who called it into existence, has been its editor all this time. He is also the editor of the "Year Book of Land Reform" which appears quarterly, gathering into more permanent shape the important news of the movement. Under the general title "Social Questions" a series of pamphlets appears at intervals, each treating some important question of the day in its connection with the doctrine of land value taxation.

The headquarters in Berlin maintains what is termed a "Free Economic Seminary." This consists of lectures and study courses given by men of prominence in the field of education, or in government positions. For this part of its work the League has enlisted the co-operation of the city sufficiently to be allowed the use of the lecture halls of public schools for the Seminary, as well as for the series of "vacation courses" of similar nature, which take place during the summer.

A Bureau of Information for all questions concerning existing mortgage laws and the new unearned increment taxes has just been opened at the League house in Berlin. One day a week, expert lawyers are there to give their advice free to all who call to have these complicated matters explained to them. It is a new and interesting "wrinkle" in propaganda work and should do much in enlightening the public mind.

So much for the Campaign of Education. Where they go out for immediate actual results, the Land Reformers work toward the influencing of the municipal house-keeping of individual communities. All real law-making in Germany, as far as local taxation is concerned, begins in the community. With their great measure of Home Rule, the German communities have the chance and the freedom to experiment in new methods of self-government. The State legislative bodies look on and then take up as a federal measure whatever has proved fairly successful. Of course there are details which modify the workings of this rule—but, on broad lines, it is the internal legislative method of Germany.

So the Bodenreformers look to the community as their chief field of work. In written and spoken word they pound away at the municipal officials, singly and in council; through the local leagues they take up local propaganda on every question of community housekeeping that happens to come up for discussion.

The concrete results of this policy of Land Reform thus far are:—Almost every Prussian community now taxes the land within its bounds at its selling value, and the practice is rapidly spreading through the other German States. The communities were empowered to make this change by the Prussian Communal Tax Law of 1893, fathered by Johann von Miquel, Prussia's ablest Minister of Finance and a firm believer in land value taxation. Since 1904 a number of German communities have been levying a tax on the increase of value at sale of land. Frankfort-on-Main led off with this new measure and during the eight years since its pioneer experiment, five hundred other communities have followed suit, many large cities among them.

The success of this new method of taxation as a revenue-raiser which did not bear heavily on any member of the community—except the land speculator who is trying to get something for nothing—bore further fruits in an Imperial unearned increment tax. This measure, which became a law on April 1st, 1911, makes the taxing of the increase in value of land obligatory for every German community. Of the revenue raised in this way the Imperial government takes 50%. The community retains 40% and the remaining 10% goes to the sovereign State in which the community is situated.

The educational value of the three years campaign by which this law was introduced was tremendous. Of itself the measure is very faulty. It has various provisions concerning interest on the original investment, and exemptions for a dozen different causes which encumber it with a mass of unnecessary detail and render it often ineffectual. There was considerable opposition to the Imperial Law on the part of the communities that had been enjoying the success of their own local taxation.

They naturally disliked to give up such a large portion of what they had found to be a good income. But the arguments used in favor of the Imperial Tax were to the effect that much of the prosperity of the individual community was due to the government, in the laying of highroads, the building of railroads, the telegraph and telephone facilities, garrisons, and the prestige in foreign countries won by the Empire and reacting favorably on the individual community. "We, the Imperial government, helped you earn this increase of value, therefore part of it should come to us." It is a sound enough economic doctrine, but the communities are not altogether satisfied with its workings, as they say that in many cases they have had a loss through the inadequacy of the Imperial measure as against their own local taxation of the increase of land value.

As to the value and the justice of this method of taxation in itself there has been no dissenting voice in any community which has tried it. In spite of the persistent opposition of the great financial group, of the land mortgage banks and land speculative interests, who are naturally against it, this taxation has not been repealed in a single community where it has been in force, although in many of these communities it has been voted on by referendum of all the people at least once a year.

Through the fact that there is comparatively little actual speculation in *land* in Germany, and the related fact that the speculation is carried on through land mortgages—almost all the land in Germany being mortgaged—there are complications with regard to a land value taxation in Germany which are unknown here. Some of these matters are treated in the articles appearing in this number. For this reason the German Land Reformers advocate a large measure of nationalization, or communalization of land, which seems to us an unnecessarily awkward and cumbersome proceeding. But the great mass of the people are in sympathy with it, as it harks back to the old Teutonic land laws. And through such measures the Land Reformers believe it possible to save any loss to a number of innocent small share-

holders in land mortgages. They are working also, however, towards improving the conditions of mortgaging land. This can only be done through Federal legislation and will naturally take some time to arrange, as any too sudden readjustment would cause a serious disturbance to the credit system and the money market.

The Land Reformers have always taken a firm stand in the matter of Colonial politics. They have not concerned themselves as to the right or wrong of colonies in the wider sense, but they have made a persistent protest against giving concessions in colonies to exploiting and land speculative companies. The governmental policy in the Chinese colony of Kiautschau, which is Single Tax pure and simple, all revenue being raised by land rental and 33 1-3% of increase of value being taken at every sale of land, was a measure instituted by the colonial administration of its own initiative. It is claimed that this measure was not in any way influenced by the activities of Land Reformers, but was adopted as a measure of common sense policy in colonial housekeeping. If this is so it is all the more proof, as Dr. Schrameier points out, of the absolute common sense and justice of the economic creed preached by the Land Reformers.

The leaders of the Bund are now vigorously protesting against recent action by the Prussian Government, in which this government has become a member of the Coal Trust. The Coal Syndicate has raised prices considerably since it first came into power. And the Land Reformers claim that for a sovereign State to go into business with the avowed intention of levying tribute upon a necessity of life from its own subjects, is nothing less than a crime. In this connection it is rather interesting to note that in Germany as elsewhere, the boast of these great corporations that business combination will tend to make wages higher and prices lower, has been verified as little as it has anywhere else. The price of coal has gone up in Germany, and the German miners in the important coal districts are out on strike as a protest against the wages paid them.

The German land reform movement has many interesting features which we can

only mention here. It is rapidly becoming more and more a factor in the municipal housekeeping of the nation.

THE LAND POLICY OF KIAUTSCHAU.

By DR. SCHRAMMEIER.

It must be clearly understood that the activities of a young colony like Kiautschau, where life is simple and the governmental machinery small, cannot in any way offer an example for totally different conditions at home, conditions where any change of the complicated organism would bring unending disturbance. Still it must be acknowledged that our government in its land policy in Kiautschau has fulfilled excellently well one of the most important tasks that any State or municipal body finds set for it. What is it then, that has been done in Kiautschau?

The agricultural native population was compelled to give up a small portion of its land for the building of a harbor, a factory, a new city,—for the beginning of trade and industry. All this happens constantly in any colony, in any newly won place of industry at home, in every city which feels the pulse of modern life. In an epoch like ours, moving onward so restlessly, there are constant new developments which force a break with traditional resistance, which throw off the fetters of centuries of habit and neglect. It can easily be seen that to attract commerce and industry to the inhospitable coast of Schang-tung some effort must be made, and the introduction of our customary system of taxation would hardly be favorable because it lays a heavy burden on all development of labor, industry and commerce. The natural alternative to burdening labor and industry, which should instead be assisted in every way, is to impose taxation on land value, on the income represented by growing land value which comes to the individual through no work of his own, but from the growth of the community. It seems reasonable to take this income for the use of the community and to secure it to the community for all future.

The land policy of Kiautschau is all the more important an asset for the work of the Land Reformers in that it was instituted without any help on their part. Because this policy was established uninfluenced by any pressure from without, because it was established in the avowed desire to meet the industrial needs of our Chinese colony, and was founded on experience gathered in other colonies—and because of all these reasons the policy is an important proof of the correctness, as well as the practicability of the doctrines of the Land Reformers. These doctrines are that the land should not be an object of speculation for the individual, and that the community has a right to participate directly in the increase of value in the land which is produced by the growth of the community.—Extract from an article by Dr. Schrameier in the Year Book of Land Reform, 1911.

PROVISIONS OF THE IMPERIAL LAND VALUE TAX SET FORTH IN DETAIL.

"After Mill came Henry George, who in his principal work, 'Progress and Poverty,' proclaimed the ownership of land a monopoly and expected to find a remedy for the unsatisfactory returns to labor in the taxation of ground rent."—Increment Tax Law of Germany, Elucidated by Hans Simon.

This work is a legal commentary of 175 pages in German on the national land value tax which went into effect April 1, 1911. To its readers of the REVIEW familiar with German are referred who would more fully inform themselves. Dr. Simon recognizes the far reaching economic bearing of the principle involved.

THE lords owning the coal of England collect a toll of about equal to 1 in 13 for getting out of the way of labor and capital. They never see nor touch the coal. What have they ever done for it? Some of their titles come from grants of kings centuries ago to their illegitimate sons.

NEWS—FOREIGN.

NEW SOUTH WALES.

RATES FOR 1912—LANDOWNERS VOTE FOR
LAND-VALUE RATING—CRAZY POLICY OF
GOVERNMENT LAND PURCHASE FOR SET-
TLEMENT—THE HIGH COST OF LIVING—
A. G. HUIE TRAVELS 4000 MILES AND
ADDRESSES 43 MEETINGS.

Municipal and Shire Councils are publishing their estimates for the year. In most cases the rates as a matter of course are imposed on land values. We have at last won at North Sydney. In that suburb advantage was taken of a flaw in the Act to put a small proportion of the rates on improved values for three years. The pressure of public opinion, without resort to a poll, which in this case was impossible, has forced the Council to revert to rating solely on land values. There are still a few cases in small scattered centres and country towns which rate partly on improvements. That, however, is only due to the want of a man or two locally to take the matter up in earnest. Wherever a poll has been demanded it has always been carried in favor of the land-values rating, although the right to vote at polls is confined to landowners. It has been simply a case of the land users, who are in a majority, outvoting the land speculators. Our Local Government Act makes provision in Municipalities (not in Shires except temporarily) to borrow money for permanent work. Loan proposals have to be approved first by the Local Government Department, and then a ratepayers poll is taken in the area concerned. Two questions are submitted at such polls. First, "Are you in favor of the personal loan?" Second, "How shall the rate for interest and sinking fund be raised, from unimproved or from improved values?" Such polls are taken from time to time. The wisdom of borrowing may or may not commend itself to the ratepayers, but the verdict is always in favor of the loan rate being on unimproved land values. So far as the City is concerned the Labor Government has done nothing. It is so busy attending to such minor matters as

starting State brickworks, timber yards, building "houses for the workers" and other matters that it has not got back to bed-rock—the land question.

£378,952 FROM LAND VALUES.

Some particulars of the rates imposed may be of interest. Each Council estimates what its expenditure will be for the year, and the amount of revenue it is likely to receive apart from rates. Then it proposes a rate or rates to raise the necessary amount. Many councils have one rate of so much in the pound to raise what they want. Others have local, loan, special or water rates according to the fancies of the aldermen of the needs of the case. In some cases there is really no need to have more than one rate while in others the law makes it necessary. So far as I have collected particulars of rates proposed for 1912 from the published notices of 62 Municipal and Shire Councils in all parts of the State, the highest general rate is 6d. and the lowest 1d. in the pound. There are some local and other rates for sums of less than a penny but the bulk of the revenue is provided by the general rate. The total unimproved value of the land is £29,113,313. Of the 62 councils 56 imposed their rates entirely on land values. The remaining 6 councils raise £21,299 from land values, and £5,084 from improvements. The total amount proposed to be raised by the 62 councils from the unimproved value of land is £378,952. The sum of £5,084 additional raised by 6 councils from improvements is scarcely worth mentioning. Your readers will see how generally land value rating has been adopted although the law would allow councils, if they so desire, to raise a large proportion of the £378,952 from improvements. The ratepayers have almost universally condemned taxation of improvements. They only need the power in other States and countries and I am satisfied that they would speedily follow our example and exempt improvements.

LAND SETTLEMENT.

The question of settling the people on the land is always with us. We have

plenty of land—some 200,000,000 acres of it—and the inhabitants of most parts of the State will tell you that its quality is such that it "will grow anything." Still there is a great scarcity of good land for settlement purposes.

The latest official returns show that 21,791,982 acres are in the hands of 711 holders. It was rather worse some years ago, but the decrease in the largest estates is counterbalanced by an increase in estates from 5,000 to 10,000 acres. The policy of the late Wade Government was to buy out big estates. Nearly three millions sterling have been expended in this way to get 737,689 acres of land to make 1500 farms. The prices charged to settlers for the resumed land were so high that more than half the settlers have had to apply for suspension of payment of instalments. Some of the resumed land is still on the Government's hands. Land made available in this way is beyond the reach of poor men. It is a fine thing for the big landowner. He gets a good price in cash. He appropriates the value which the people have made, while those who get the Closer Settlement farms are loaded with heavy payments for nearly 40 years. The action of the Government in attempting to buy out land monopolists has also assisted to force up land values generally, and so to make the position worse.

The present Government has stopped this insane policy. Of course, they are roundly condemned by Mr. Wade, but they are perfectly right on that question. The only way to destroy land monopoly is to tax it so that it will not pay. While the Labor Government has very properly stopped the Wade resumption policy, it has not had the courage to substitute anything for it. It is relying upon making Crown lands available. That would be all right if there were plenty of Crown lands suitable for settlement. While there is still a good deal of Crown land it is at present too far from the railway to be worked with advantage. Of course, we continue building railways ostensibly to open up such land and incidentally to double the value of large estates in the districts served, which of course goes to the private landowner. In that way the

State has obtained a long list of non-paying railways, while it cannot provide settlers with sufficient cheap accessible land. There is enough good land near existing railways to meet all present needs, but land monopolists hold it. Effective use of such lands would make all those unprofitable railways pay well, and yet we are getting deeper and deeper into debt, building more railways which cannot pay for years to come.

THE INCOME TAX AND STAMP TAXES.

The Government professed to find itself very short of money some months ago. That was a splendid opportunity for it to come forward with a land value tax without exemptions, which would have operated to break up large estates and promote closer settlement in addition to providing revenue. But it forgot all the professed anxiety of its members and supporters in favor of land value taxation and came forward with an income tax and fresh stamp taxes. Such taxes are economically unsound. They retard rather than promote the use of land. Apparently these unjust and vexatious taxes will be passed and it will not be easy to get them removed. You see, therefore, that our position is unenviable. Neither Liberal nor Labor party will go straight. Mr. Wade would revert to the hopeless monopolistic policy of State resumption of private lands for settlement. Mr. McGowan is adopting unsound taxation proposals, and is committing the country to heavy expenditure on socialistic experiments, while neglecting the extension of those services which are of an essentially public character. What we have done in the way of taxing land values for local purposes is good, it is popular, it has fulfilled expectations. What we need are State and Federal Governments which will also raise their revenue from land values and exempt industry.

THE BRISBANE STRIKE.

In N. S. W. the tramways are run by the State Government. In some of the other States they are in the hands of private companies. The Brisbane tramways are run by a company which has an American for a manager named Badger.

Mr. Badger has had some trouble with his employees, nothing very serious, nothing that could not be readily settled by the Arbitration Court. One of the company's rules was against the wearing of badges. The union recently decided that its members should wear a badge without waiting for the matter to be settled by the Court. The manager suspended those who put their badges on. The men went on strike.

This was followed by all the unions in Brisbane going on strike in sympathy with the tramway men. Since then the strike has been very generally extended throughout the State, except that most of the men on the Government railways have stayed at work. Business was soon paralyzed. Hotels, warehouses and shops of all sorts were closed. For a little while it seemed as though the Government was powerless. But it soon aroused itself, cleared the streets, and took vigorous steps to preserve order. It applied to the Federal Government for the aid of the military forces. That was refused. Then it called for volunteers for special police, both foot and mounted, and soon had plenty of men.

The first effort to starve the populace into agreeing with the union demands completely failed. For a couple of days it was very difficult for many to get even bread and meat, but gradually conditions are becoming normal. Brisbane largely depends upon the southern States for foodstuffs. As all the shipping is laid up apparently the strikers hope that starvation may yet help them to win. There are threats of calling out all the unionists in the other States, but I do not think it will come to that on this occasion. So far as I can judge at the time of writing the general strike is collapsing.

It is quite possible that we will yet have an attempted general strike in Australia. No doubt it will fail, for it is a hair-brained venture that only wild socialists would advocate. Fancy a general strike over wearing a few union badges. Of course, the unionists say that they are fighting for the "principles of unionism." It is, however, at times, difficult to understand what is involved in those principles. It is also asserted that the strike is really intended

to influence the general State elections which take place in three or four months time. When will unionists acquire sense enough to join the radical forces in the community in a strike through the ballot box, at land monopoly and protection so that men may become free and such expensive expedients as unions will be no longer necessary?

THE HIGH COST OF LIVING.

The excessive cost of living in Australia is one of the problems of the day. Wages generally are good, work is abundant, but the higher cost of goods largely neutralises the advantages gained. Our measure of prosperity has been gained in spite of the serious handicap of a protective tariff. We have had a run of good years. The world has paid us good prices for our primary products. These advantages have enabled us to pay the high prices and still feel tolerably well. Of course, protectionists falsely assert that our prosperity is due to the tariff. It is highly probable that the next few years will tell a different story. Already the continued dry weather is causing anxiety. In some of the Northern districts the wheat crops have failed. We have made so little preparation to conserve water so as to be in some measure independent of the rainfall, that a drought will cause serious losses. We will then really feel the effect of high prices. Perhaps a little real suffering will knock some sense into those who have been fooled by the special pleaders for the tariff. In the cables appearing in our papers to-day the Washington correspondent of the *London Times* is quoted as referring to the growing suspicion in the United States that the "tariff was the mother of trusts." With our tariff we are copying the bad American example. Trusts are developing. The sugar monopoly already costs consumers a million and a half for sugar yearly over and above its true value. That comes to 6s. per head per annum.

THE SECRETARY'S TOURS.

For reasons given as well as others we have felt for some months that the time is opportune for vigorous propaganda work in support of Free Trade and taxation of



MAX RÖMER



DR. F. KÜHNER



KARL MARFELS



HEINRICH FREESE

(See page 55)

land values. Part of the work undertaken was a series of trips by the Secretary to country districts. The plan adopted may be explained by an example. Arrive at a country town early in the morning. Start at once distributing leaflets showing the cause of high prices and how to reduce them. A notice of the place of meeting is on the leaflet. After breakfast go round the business portion of the town handing out leaflets, enrolling new subscribers to our paper *The Standard*, and selling George's "Progress and Poverty," "Protection or Free-Trade" and other books. In that way you meet a lot of people, have a good many brief arguments on points raised, and materially help to advertise the night's meeting.

Of course, advertisements are previously inserted in the local papers. The meeting is held in the open air at the most suitable street corner to get a crowd. The address is a plain talk upon the subject with some local coloring added. Then the speaker invites questions. Sometimes there are none, or perhaps a few, or question time may occupy an hour. Notes of the address up to a column, in a few cases a column and a half, must be supplied to the local papers. That is necessary to secure a report in some cases, while it is usually appreciated. It saves the country reporter, who is usually not an expert, time and trouble. Besides that you get in the points you want to place before the public. The next day do the same and so on. I spend one, two, or three days in a town according to its size and importance.

I have now had five trips of about a fortnight each in the latter half of the month from September 1911 to January 1912. I have travelled 4,168 miles, almost all by train, addressed 43 meetings, all but four of them being in the open air, personally distributed about 30,000 leaflets, enrolled 355 new subscribers to our paper *The Standard*, and sold £12.10. worth of books for cash. The reports in 60 papers have averaged about a column. Someone is really wanted on such a mission all the time in this State. It was my intention to go on four more trips to other districts in the latter half of February and May inclusive, but our Assistant Organizer

has resigned and we have had to abandon the plan for the present. What we have to do is to create a public sentiment in favor of our principles, and the best way is to go as directly as possible to the people, state our case and get them to read our literature.—A. G. HURR, Sydney, N. S. W.

ENGLAND.

The labor unrest is the principal item of table talk in Great Britain today. For the moment emigration is being overlooked; the housing question goes hand in hand with the boot, bread and butcher meat questions, and we are turning our attention to the poverty question which includes all these things.

The working people are beginning to think not only that they are not getting their proportion of the increased wealth, but that their share is actually a diminishing quantity. Free Trade lecturers have been showing what a wealthy people we are judged by the average £4 per family per week, but this kind of comparison fills no empty cupboards. Men who would in ordinary circumstances run away from statistics are beginning to quote figures to show that money wages have risen 15% in the last dozen years, but that the cost of living has risen 18%.

In all such movements there is room for the demagogue and the charlatan. We are in the midst of a movement engineered by some Socialists who are a bit premature in their idea of "sacking the gaffer." Syndicalism is on the top wave, and general strikes are in fashion. A railway strike was threatened, and a coal strike is now in progress.

The men can be got out easily enough by such manoeuvring, but the leaders are not finding it easy to get them in again on any better terms. Today the members of the Cabinet are on their trial. They are being denounced by all sorts of irresponsible people who probably will be denounced in turn later on. When people see that there is no use in running their heads up against immovable objects they will hardly thank the people who led them to believe that there was.

Meantime the quiet unostentatious work of undermining the position of the strongly entrenched monopolists goes steadily on. For the moment this movement is nearly drowned in the noise of strife. Unfortunately the difficulties of valuation are still with us. The 1909 Budget of Lloyd George has not succeeded in bringing in a complete valuation of land yet. The Government are again in the position they were in about 1908. By-elections are producing decreased majorities, and lost seats. There is only one way that the Government can regain their position, and that is by the method they adopted in 1909. Another, and more drastic attack on landlordism is due—in fact overdue. It is a movement which would gain the support of people who are not enamoured of Insurance Bills, and promises of nine-pence worth for fourpence.

The municipalities are now taking a revived interest in the question of rating land values, and as before Glasgow leads the way. The Corporation of Glasgow is petitioning Parliament for powers to rate land values, and they are asking the assistance of other authorities in their petition. The position can be seen from the following resolution passed by the Council.

TWO IMPORTANT RESOLUTIONS.

1. At a meeting of the Glasgow Town Council held in the Council Chambers, January 25th, 1912:—

That, having regard to the facts (1) that the principle of the Taxation of Land Values has been consistently supported by the Corporation with the view of securing to the city and the ratepayers the benefit of such taxation, and (2) that the Government are at present collecting or are in contemplation of collecting, information and all relative data as to the true valuation of all lands situated in urban and suburban districts throughout the country for the purpose of such taxation, the Corporation, following out their recognised policy in regard to this matter, resolve to petition Parliament to the effect that powers be granted to all local rating authorities throughout the country—county, urban, and town councils—to impose and levy on the new valuation a

tax on the value of land for local purposes, distinct and separate from the increment duty to be imposed and levied under the provisions of the Finance (1909-10) Act, 1910. (*Adopted by 43 votes to 11.*)

2. At a meeting of the Glasgow Town Council held in Council Chambers, February 1st, 1912:—

That, the Corporation having approved of the resolution contained in the Parliamentary Bills Committee's minute, of date 25th January, 1912, relative to the levying of a tax for local purposes on the valuation of land under the Finance (1909-10) Act, 1910, the Town Clerk be instructed to communicate the said resolution to all rating authorities in Great Britain, requesting them to petition the Government in favor of the same at the earliest possible date. (*Adopted by 40 votes to 17.*)

So far the resolutions have not been before all the rating authorities, but they have been favorably received by a great number of important rating bodies.—WM REID, Leeds, England.

NEW ZEALAND.

DEFEAT OF HON. GEORGE FOWLDS—HE WILL NOW LEAD THE FIGHT FOR THE PEOPLE—COMPLEXION OF THE PRESENT GOVERNMENT DUE TO AN ABSURD ELECTORAL SYSTEM—A NEW ELECTION PREDICTED IN 12 TO 18 MONTHS.

In spite of an apparent set-back at the general elections in December last, our prospects here are very bright. It is true that the Liberal-Labor Government, headed by Sir Joseph Ward, lost a number of seats, and may not be able to retain power, but the defeat looks worse than it really is and the great growth of the Labor vote, which is very sympathetic with us, more than makes up for it. Owing to cross currents and a great expenditure of money by "our friends, the enemy," our leader, the Hon. George Fowlds, ex-minister for Education, failed to secure re-election in Grey Lynn, which he has represented since 1902, being first elected for Auckland City in 1899; but such a man cannot be kept out of Parliament long; and, unless

I am very much mistaken, he will make such effective use of his period of leisure from Parliamentary work as will result in his early return to the House with a following that will secure the speedy realization of his hopes and plans for the good of the people.

In all probability the new Parliament will be a very short-lived one. It may last a year, or, at the most, eighteen months, and in the meantime we shall have an opportunity to organize a live campaign on Mr. Fowlds's "New Evangel" programme that should put a very different face on matters.

A month or two before the elections Mr. Fowlds resigned from the Cabinet, because he felt that the Government "had failed to grasp the spirit of the times in which we live" and "had failed to take account of the economic factors which have been at work making the conditions of life for the mass of the people, even in years of prosperity, more precarious than they need to be." Mr. Fowlds wished to deal with the evil at once on Single Tax lines, increasing the land tax, reducing Customs Taxes and railing freights, (all New Zealand railways, with unimportant exceptions are State-owned), and abolishing all local taxes on the homes of the people and trade and industry. But Sir Joseph Ward proposed to set up a Royal Commission to inquire into the high cost of living! This means, of course, a great waste of time, much cry and little wool. "It amazes me," said Mr. Fowlds, in his opening campaign speech on Oct. 31st. last, "to find a government, or even a man seeking Parliamentary honors, confessing or professing that he does not know the causes of this evil, and is unable to suggest cures that would help towards removing it. I hope during my speech to lay bare some of the causes and suggest cures, and I shall be very much surprised if I am unable to convince the most of you that the causes are evident, and the remedy lying to our hand. It was mainly for the purpose of having a free hand to deal with such subjects, and thereby giving a fillip to the reform forces of the Dominion, that I resigned from the Ministry."

Mr. Fowlds traced the high cost of living to land monopoly and inflated land

values. He showed that the 1,000,000 people of New Zealand add over £6,000,000 a year to the land values or "unearned increment" of the Dominion—the "community created increment," as he rightly prefers to call it—and that the annual rent tribute is no less than £9,700,000, making a total landlord tribute of £16,300,000 a year, upwards of £16 per head, or over £80 per year for every family of five! As remedies, he proposed (1) to Increase the Land Tax by 1d. in the £, estimating that this would yield some £6,000,000 a year additional revenue; (2) to remit Customs taxes on the necessities of life to the extent of half the revenue so raised; (3) to reduce railway freights by a similar amount; and (4) to reduce house rents and raise wages by abolishing the rates (local taxes) now levied on the homes of the people and on their trade and industry. Proposals (1, 2 and 3) would mean a gain to the workers of 18s. 9d. per head, or 93s. 9d. (4. 13s. 9d.) for every family of five, and (4) means that they will be relieved from the whole of the present rate burden.

On the face of them the election results seem to mean a big set-back to the true reform forces of the Dominion. But this is more apparent than real. The opposition—the Landlord Party, who masqueraded as a "Reform Party!"—secured 37 seats out of 80, the Government only 35; Labor and Socialists, 4; and an Independent Liberal, 1. But, in proportion to the votes cast for the several parties, the results should have been.—Government, 37; Opposition, 27; Labor and Socialist, 10; and Independent, 2. The 4 Maori members, who complete the 80, support the Government. Since 1908 the Labor vote has increased from 14,000 to 56,000; and this goes to show that, while owing to the fluke working of our electoral system the seats lost to the Government have gone to the Opposition, the Transfer of votes has been from the Government, not to the reactionaries, but to a more advanced section. As you will see from the report of his speech, Mr. Fowlds had a presentiment that "our faulty and absurd electoral system" might bring about just such contradictory results. As a whole the elections very strikingly illustrate the need for

the proportional representation system which Mr. Fowlds puts in the forefront of the constitutional reforms required; and if a movement already under way progresses, as we have every reason to believe it will, we shall soon have a powerful Labor-Liberal Party in the field with the "New Evangel" as its fighting platform. Then we shall see what we shall see. Neither party can command a really stable majority, so we may have another general election in 12 or 18 months, or even sooner. A good stiff Land Tax is the only thing that can save the present Government, just as Lloyd George's Land Tax Budget was the only thing that saved the Liberal Party at Home. And I am inclined to think that Sir Joseph Ward is now very sorry that he did not do as Mr. Fowlds desired and bring in such a Budget last year. Surely the Liberals the world over will soon realize that their only safety lies in coming our way. Sir Wilfred Laurier failed to do so and was "snowed under," Mr. Wade, Premier of New South Wales, failed to do so, and met a similar fate; it was its land tax proposals that put the Commonwealth Labor Government in power, the same applies to the South Australian Government; the present Victoria and Tasmanian Government have carried land taxes and the land taxes "carry" them; and only the other day a West Australian Government that proposed to substitute an Income Tax for the Land Tax was defeated by a Land Tax Labor Party by more than two to one.

We have everywhere great cause for hope, and the news from your part of the world is also very encouraging.—ARTHUR WITHEY, Wellington, New Zealand.

We have received the report of the proceedings of the Sagamore Sociological Conference of June 28-30, 1911. Its 144 pages contain much that is valuable in the honest thought of those who took part in the Conference.

THE *Morning Press* of Santa Barbara is made interesting by long Single Tax communications from John K. Lewis.

NEW ZEALAND.

SECOND LETTER.

RESULTS OF THE ELECTION BY NO MEANS DISHEARTENING—GREAT HOPES FOR THE NEW EVANGEL—THE LABOR PARTY GROWING.

The results of the elections here must, on the face of them, have been a great disappointment to readers of the REVIEW. And you would especially be disappointed and surprised at the defeat of the Hon. Geo. Fowlds in Grey Lynn. But, happily, the results are not so bad as they look. Mr. Fowlds is by no means downhearted. He is as full of fight as ever, if not more so, and he is determined to make a strenuous three years' campaign; with a view to getting at least a compact Land Values' party, if not a land values' majority, in the House next time.

Sir Joseph Ward, Bart, was clearly much more unpopular than we had realized. And, as things turned out it would have been better for Mr. Fowlds to cut adrift completely from the Ward Party, and make a strong campaign against it. But it is easy to be wise after the event, and I think the result of the elections was a surprise to practically everybody here, and to none more so than to the Opposition itself. Sir Joseph's acceptance of an hereditary title, and his advocacy of compulsory service, are generally accepted as the chief ingredients in his unpopularity, but I feel convinced that what really settled his chances was the lack of "the Lloyd George touch." Only that saved the Liberals at Home, and only that could have saved them here. The high cost of living is making itself severely felt. The tariff is equal to a working man's income—tax of 3s. 6d. in the £ on the wage average of £120 a year, while equal to only 1½d. in the £ on £10,000 a year. House rents are one-third higher than they ought to be because of the taxes on timber, builders' ironmongery, corrugated iron, lead-piping, paints and varnishes, etc.; and speaking generally 1s. is worth in purchasing power only 8d. or 9d., if as much, as compared with what it would be under Free Trade conditions. The people feel this in their bones, though, of course, very few indeed know what is hurting them, and how to put things right. But Ward, instead of

taking immediate steps in last year's Budget to reduce the cost of living on the lines suggested by the Hon. Geo. Fowlds, must needs fool around wasting time and money by appointing a Royal Commission to enquire into the cost of living! A George Fowlds' Budget would, I believe, have saved the situation.

At first sight it looks as if a wave of reaction had passed over the country. Massey's Landlord Party having captured 37 seats, while Ward has only 35, Labor and Socialism 4, and 1 Independent. (The House numbers 80 members in all, of whom 4 are Maoris, returned by Maori constituencies. Of these one, Mr. Ngata, is a member of the Ministry, and therefore included in Ward's followers above, while the other 3 are unattached.) But, an analysis of the vote cast shows that the great transfer of votes was not from Ward to Massey, but from Ward's Liberal-Labor Party, to a more advanced section—Labor and to a small extent, Socialism.

Of the votes cast

48.22%.	were for the Government (Ward.)
36.31%.	" " " Opposition (Massey.)
12.73%.	" " " Labor and Socialism.
2.62%.	" " " Independent.
0.12%.	" " " Prohibitionist.

The total votes throughout the country were:

For Masseyism.....	173,648
Against "	304,681
Majority against	131,063

In Wellington (5 seats) the totals were:

For Masseyism.....	15,748
Against "	19,889
Majority against	4,141

Yet the opposition captured 4 seats out of the 5!

So that the large number of seats held by the Opposition is simply the result of the fluke working of our Electoral system, the anomalies of which the second ballot seems, if anything, to accentuate. As a matter of fact, Massey got only 36% of the votes, but holds 46% of the seats in the House; whereas, under a just system of proportional representation the result would have been

Government.....	37
Massey	27
Labor and Socialist.....	10
Independent.....	2

Such a result would have put a very different complexion on matters, especially as, under a just proportional system such men as Messrs. Fowlds, Hogg, McLaren, and Mack, (all our supporters) who were defeated, would have been certain to have been elected. I, of course, attacked the very citadel of privilege and monopoly in the North Island, if not throughout New Zealand, and though the propaganda work undoubtedly did much good, with such a tide against the Liberal Party as that which proved to be running I had no chance.

With such a narrow voting margin between parties, and with the balance of power in the hands of such diverse elements as 4 Labor and Socialist members, 3 Maoris, and 1 Independent, the position is necessarily one of very unstable equilibrium, and almost anything may happen. It was impossible to gauge the situation at all till things had settled down somewhat, and I delayed writing in the expectation that Parliament would have met this month, and thus cleared the air a bit. But Parliament is not to meet till February 15th. After talking matters over, and considering as well as we are able the various factors, the most probable course of events, we think, is that Ward, who will meet Parliament as Premier and who claims that he commands the confidence of a majority of the House, will hold the fort, just to "save his face," till June, when Parliament meets in the ordinary course; that he will then resign, and his party will go to pieces, and that Massey, who will be "sent for" by the Governor, will form a Ministry, and hold office though not power for the remainder of the three years' Parliamentary term, by the aid of the more Tory members of the Liberal-Labor Party. This, as Mr. Fowlds says, is the position that he expected to find 3 years hence, so that, so far as that goes, we are "three years to the good." And, if Mr. Massey only got such support from Tory-Liberals as to encourage him to give the people a real dose of Toryism, it would be better still and might lead to a Labor-Land-Tax triumph in 1914.

That this Parliament will last its full term

Is the more probable, as we have payment of members (£300 a year paid monthly) and very few of the members of the House will be in a position to face with equanimity for some time to come another crop of election bills.

One of the most hopeful features of the situation is that the Labor Party though it had in the late fight little or no organization, increased its vote from 14,000 in 1908 to 56,000—a four-fold increase; and it is also very well affected towards the taxation of land values. A strenuous attempt is being made to get this party well organized before the next general election, come when it may, and branches of the Labor Party are being established here, there, and everywhere.

The land plank of the Party's platform is pure Single Tax—"A land system shall be established which shall bring into the most productive use, either by private or by public enterprise, all natural resources; shall make absentee ownership and private monopoly in land impossible; shall secure to the land holder all the values created by him, and those only; all such values to be exempt from all taxation; and shall secure to the public in an annual tax all the values created by the public;" but the taxation of land values is not as yet included in their "immediate fighting platform." This, however, will, I think, soon be remedied. They have invited us to co-operate with them, and on February 12th next Messrs. Fowlds, McNab, O'Regan, and I are to meet Professor Mills, the Hon. J. T. Paul, (Upper House) and Messrs. McLaren (late member for Wellington East) and Mack (Labor candidate for Parnell) in conference at Wellington to discuss preliminaries. All the Labor representatives are strong believers in the rating and taxation of land values, so we have every hope that the Conference will agree to Mr. Fowlds' "New Evangel," tax proposals being given the foremost place in the fighting platform. If so, while, of course, not merging our identity in theirs, we shall be able to work con amore with the Labor Party, uniting all the workers of New Zealand, all the useful people, employers and employees alike, for that is Mills' aim, in the fight against the privileges and monopolies by means of which the useless people

now exploit the useful people of the Dominion. We have good hopes that every section of the workers, except of course the general strike revolutionaries, who are quite hopeless and impossible, will pull together with this in view.

I am already in touch with several of the Labor Party Branches. The Wellington Branch want me to deliver a series of open-air lantern addresses under their auspices, but as Mr. Mack is laid-up with a bad touch of influenza, this is at present in abeyance. Last week, however, I addressed a number of meetings at Hastings and Napier, and after my address to the Hastings Labor Party, they passed unanimously a resolution "strongly urging the adoption of proportional representation, and an immediate reduction of the cost of living by substantially reducing railway freights and the Customs taxes on necessities, the funds required for this purpose to be raised by the taxation of Land Values." Other hopeful signs are the letters of enquiry we are getting from all parts of the country, and the fact that we have had quite a run on "Progress and Poverty" in Wellington, and have to order more from Mr. Huie, our nearest source of supply. We find that Mr. Bagot's cheap edition takes best.

The *Liberator* will show you that we are still keeping the fight going. We are very pleased to be able to record the world-wide progress that the Cause is making. Canada and the States, especially, are doing well; and the strong Socialist poll in Germany should do much to secure the world's peace, and may lead to a step toward Free Trade and further taxes on the "unearned increment" if not on land values as a whole.

The Glasgow Conference seems to have been a great success, and should help Lloyd George to move on again.—ARTHUR WITBY.

IN England a piece of land now occupied by the London county hall sold for \$400,000. In 1504 it rented for 66 cents a year. Land in London has recently sold for over three million dollars an acre. In Southend-on-sea, a coast resort, land is selling at an increase of over 800 per cent. in 28 years. Yet we are told that values are stationary in England.

HUNGARY.

Your readers may be interested in my work for pushing forward the interests of the land question in Hungary. My translation of the *Story of My Dictatorship* was very favorably received, the only objection to it being the numerous typographical errors. As it was printed in a far-away Transylvania city and I insisted upon a low price (the work is sold for 20 cents) I could not get more for my money. But spite of this objection the reception of this excellent work was all that could be expected. The following quotation, appearing in a widely read paper and written by a well known publicist—may serve as an example of its favorable reception:

"This little work enlightens with extraordinary sharp-pointedness and spirit even the most abstract problems of economics, by way of lively and interesting debates between men inquiring into the most practical questions of life. I dare say that he who reads it will look with quite different eye upon the problems of poverty and wealth, and of competition and monopoly. Though one may know the literature of land reform the effect of this work is a wonderfully striking one. The effect, I believe, will be even greater upon the reader who is ignorant of any theory."

The book was also reviewed in a scientific spirit by one who is considered the most learned of Hungarian socialists. This was very favorable to the literary merits of the work, but the writer contested the importance of land as compared with capital. My answer was published in the next issue of the periodical containing the review, in which I examined the annual balance of a typical manufacturing plant, and proved that the \$1,289,542. which figured as capital included only about \$340,000 real capital, all the rest being land or fictitious capital. I concluded my answer as follows: "It is rather difficult for me to suppress the suspicion that the objections of Mr. Varga are weak because he is himself impressed with the arguments of the work." This assertion Mr. Varga later confirmed in private correspondence and promised to study the question more thoroughly.

Another very interesting fact is this: A writer on municipal affairs in a daily paper was induced by me to write on the housing question, and this he did very well, connecting the problem with that of vacant lots. As an illustration he cited the vacant lot belonging to a count. To this the count replied: "As to the spirited exposition of the editor's theory that neither I nor anybody else has the right to hold such a large plot of land idle, let me appease him with the information that I took the liberty, though not to please him, to so decide several months ago. That everybody has the right to take the greatest possible advantage of his own property was—so far as I know—not questioned till now, save that there might be new legislation by which the black counts (the name designates the ultra catholic and conservative aristocracy) will be deprived of this right of exploitation."

To this the editor replied very calmly: "The Count remarks with much esprit that a law might be passed regulating the use of vacant lots. This law, however, will limit not only the rights of the black counts, as the writer jokingly puts it, but almost surely of all land owners. A city ordinance regulating the taxation of vacant lots, lies ready on the table of Mayor Barczy Istvan."

There is no doubt that the mayor is not only willing to tax vacant lots, but to go further in this direction. But you know that there are examples that not even in free America can a mayor do what the majority consider right.

I am now living in Budapest, where I shall be able to do more and better propaganda work. For several years past I have tried to secure a publisher for a translation of *Progress and Poverty*. As I did not succeed I ceased my work of translation. A few days ago I had the pleasure to receive the offer from a large publishing house to translate this most important work of Henry George. It will come out as a volume of the Sociological Library which already includes fifty works of standard value. This is a very successful enterprise, each volume having an edition of 5,000 copies (a large number for our reading public) and the price, about one dollar

in cloth, is very reasonable.—ROBERT BRAUN, Budapest, Hungary.

VICTORIA.

I had hoped to announce ere this that a Bill had been passed through both Houses of Parliament to enable municipalities to levy their rates upon the unimproved value of land, but unfortunately the session ended without its having gone through all stages in the Legislative Assembly. It is hard to say whether it was legitimately crowded out by other business, or whether the Ministry as a whole was not so earnest as we believe some of its members were. We assume the Bill will be reintroduced, and we hope amended in some respects in an improved form to enable the ratepayers to more easily obtain the reform.

Mr. McHugh has arrived in Melbourne to undertake a year's propaganda work, and we are very much pleased with his personality and apparent power. He was to sail yesterday for Hobart in Tasmania where a Conference of delegates of the Labor Party from all the States is to be held. It is hoped that both on the voyage and in Hobart Mr. McHugh may be able to influence delegates for the principles he upholds.—A. C. NICHOLS, Eurora, Victoria.

GOOD NEWS FROM CHINA.

A newspaper informs us that China may under its new regime adopt the Land Value or Single Tax plan. Details are lacking, but the item tells the story, and behind it is the long and self-sacrificing labors of one man fighting a great fight almost single handed.

Dr. Schrameier gave in a German article recently the demands of the Chinese revolution as follows:

1. Overthrow the Manchurian Government.
2. Union of whole China under New Government.
3. Proclaim Republic under one President.

4. Everybody is owner of his lands, but present value of the land must be found out and put in the books and the value since accrued belongs to the government. Ownership in the future belongs as much to the nation as to the individual owner and both will divide the profits." Dr. Schrameier further says: "Last demand, without doubt, is the influence of the theory of Henry George whose books are known to Chinese through the writings of missionary Dr. Macklin."

This is not the Single Tax plan, but is the German *zuwachsteuer*. But Mr. Macklin is a Single Taxer and can be trusted to point out to the government officials the true direction. He has seen the president of the Chinese Republic and has talked with Wu Ting Fang, who Mr. Macklin informs us is posted on the Single Tax and is favorable to it. Mr. Macklin has won a great fight and he and the Chinese people are to be congratulated.

TAXATION OF THE UNEARNED INCREMENT IN GERMANY.

SOME RECENT FIGURES.

The Imperial unearned increment tax measure has been a law for only a year. This is too short a time for the figures concerning it to be sufficiently certain as a standard of judgment, but of themselves they are rather interesting.

In several suburban communities surrounding the city of Berlin the amount taken in on this tax during the months of September, October, November and December, 1911, was as follows:

Mariendorf.....	31,800 marks
Schmargendorf....	66,400 "
Steglitz.....	70,000 "
Britz.....	90,300 "
Grunewald.....	126,400 "

Half of this goes to the Imperial government, of the remainder, the community takes 40% and the Prussian government 10%. All of these suburbs are residential, with the exception possibly of Britz. The share that came to them in this short time

was a noticeable relief to the tax rate along other lines.

11,000 marks came in for the city of Berlin at one sale alone recently.

The city of Dresden, after nearly a year of the Imperial Tax, has now rearranged its budget and plans to take for its own city housekeeping 50,000 marks a year from the new source of income, leaving what runs over that for a sinking fund for the buying of land and building operations. Dresden has discovered that it can depend on this much at least and possibly more from the new taxation.

The little town of Rülstringen took in during the month of October, as its own share of the taxation on one sale of land within its boundaries, the sum of 65,000 marks.

There are more definite figures to be had from the communities which have had the unearned increment tax of their own, before the Imperial tax was introduced.

In 1910 the City of Chemnitz, a prominent industrial community, took in on this taxation the sum of 423,765 marks.

Munich had 195,000 marks for its own budget in one year from the new source of income.

The following figures from the kingdom of Saxony show the increasing benefit of the new taxation:

In 1908 the unearned increment tax brought in 69,602 mark, = 0.08% of all taxation and 0.7% of all indirect taxation.

In 1909 the new taxation brought in 448,090 marks = 0.47% of all taxation, = 4.16% of all indirect taxation.

In 1910 the figures were 1,327,901 marks = 1.30% of all taxation, = 12.29% of all indirect taxation.

These figures show the saving of the burden that would otherwise have to be laid on thrift and industry, show the source from which much money can be had for city improvements, for educational purposes, and the beautifying of municipal life. And it is only the beginning of a development which cannot yet be realized in all its possibilities.—GRACE ISABEL COLBRON.

POULTNEY BIGELOW ON THE EMPEROR.

In a little volume now out of print, entitled "The German Emperor", Mr. Poultney Bigelow has left his early impressions of the young prince with whom he spent so many pleasant hours. Many of Mr. Bigelow's comments are interesting at this time.

"The secret of the Emperor's power with the people," says Mr. Bigelow, "arises mainly from three causes:

First, his courage;

Second, he is honest;

Third, he is a thorough German.

If the whole country had to vote tomorrow for a leader embodying the qualities they most desired, their choice would unquestionably fall upon their present constitutional leader."

Elsewhere Mr. Bigelow says: "In force of character and intellectual power the present Emperor surpasses any of his predecessors, certainly up to the time of the Great Frederick."

Again: "The Emperor has given the protectionists of his country much offence by insisting that the burden of taxation should be equally distributed, that the people in one industry shall not be protected at the expense of another."

When William II ascended the throne one of his first acts was to drop the policy of hounding the socialists. It may be said in estimating the character of the Emperor that if he has said some foolish things he has done many wise ones.

GRACE ISABEL COLBRON.

(See portrait.)

Miss Grace Isabel Colbron, who is known to Single Taxers all over this land, and who is a graceful and effective speaker for the cause, is also a playwright, critic and reader whose work in these lines has made her known in other circles. Her work on the *Bookman* and her book reviews in the various literary periodicals, have been admirably discriminating and marked by character and distinction.

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As a translator she has also done notable work, having to her credit translations of *Comtesse Coquette*, from the Italian of Bracco, and the *Fairy Tale*, from the German of Schnitzler, for Nazimova, and *Happiness in a Corner*, from the German of Suderman, played by the Donald Robertson players.

She has genuine talent as an actress and dramatic reader, and is an untiring worker in many fields. From her duties she has nevertheless borrowed sufficient time to contribute of her splendid talents and magnificent energy to the cause of industrial emancipation through the Single Tax, in the principles and details of which she is as well informed as any man or woman in the movement.

MIDDLETOWN, N. Y.

The Rev. Stannard Dow Butler, of Middletown, N. Y., preached a sermon at Christ Church in that city on March 10th in which after speaking of John D. Rockefeller and Andrew Carnegie as types of philanthropists, he said: "In my opinion the greatest philanthropist is Joseph Fels, the Jew, who has given a fortune to change the economic conditions that underlie the machinery of our social and industrial system." The *Middletown Argus* reported the sermon in part as follows:

"Mr. Butler touched upon the old Mosaic system of land tenure. The jubilee year, coming twice in each century when the land was given back to the people. From this it was an easy transition to the Single Tax theory. He spoke eloquently of the work in England of Lloyd George, how it was tending to eliminate poverty, the foul tenements; creating demand for labor, equalizing wages and giving men opportunity to grow. He illustrated graphically the injustice of the unearned increment of wealth, where one man could buy a hundred acres of land for a paltry sum and by its becoming the site for a big industry increasing its value a thousand-fold, thus making its owner rich without his having done anything to produce the wealth. The Single Tax, or tax only upon land, would have given back to the people

a part of this wealth which their labor had produced, instead of putting it all in the coffers of the one man who owns the title to the land.

Mr. Butler then touched with his usual illuminating and magnetic force upon the brotherhood of men. We hear a great deal of talk about brotherhood, in the meetings of fraternal organizations—in the fire companies. But it is all talk. They don't want to let in the Jew or the colored brother or even the universalist. What has religion done for the brotherhood of man? Has it eliminated crime, poverty, suicide? Joseph Fels is doing this work, and he is a Jew. But he knows no creed. His work is broad and deep. It is wide as the continent and goes to the root of things. He spends his money to create new conditions to effect a re-adjustment of the forces that underlie our social and industrial fabric."

The *Argus* says editorially in an elevated utterance:

"We honor the minister of a Christian church who has the courage of his convictions, and is ready to acknowledge in his own pulpit that the man who is most eminent for good works, of all his countrymen, had his character formed and fostered and brought to the richest fruition through the teachings of an alien religion."

Middletown seems to be waking up. From the recent annual message of Mayor Rosslyn M. Cox to the Common Council we extract the following:

"Every additional industry and each new house adds to the value of our business property in the heart of our city. Take for example Pronk's and Denton's corners on Franklin Square. Fifty years ago \$4,000 would have been a high valuation for either one of these properties; today they are easily worth \$40,000. The owners have done nothing to make this great increase in value; the growth of the city has caused it. Let the people, therefore, have the benefit of the increased values which they alone have made, by proper methods of assessment."

To hear some of the coal owners of Pennsylvania talk you would think they created the coal by their labor, and that

God Almighty stood around and watched them doing it with approval.

BOOK REVIEWS.

THE REFERENDUM, INITIATIVE AND RECALL IN AMERICA.

There are two classes of political reasoners—those who believe in the purest democracy, and those who for a thousand reasons—or a selected assortment from these thousand—do not.

Now this is not a very original reflection. What may be a more novel suggestion, however, is that one side is no more honest than the other—indeed, the latter division may wish as well to the people as the former—certainly for the most part do. They are not “monarchists.”—for other distinctions than these are essential to monarchy. Many may hold—and do hold—that direct action by the people does not secure the people’s rule so effectually as complex systems of checks and balances, which by restricting hasty and perhaps thoughtless action—though why hasty action on the people’s part should always and of necessity be deemed thoughtless, has never been made quite clear—will result in the more just and stable establishment of the people’s will.

Here at least is an intelligent difference over which no stones need be thrown. But it is at all times amusing to note the assumption of superiority with which the advocates of systems, of checks and balances regard the advocates of pure democracy. The latter are men of no deep learning, we are told, are of superficial accomplishments, unacquainted with history and statecraft—which were our mind in a frivolous mood we should have written *statecraft*—and intellectually belong to the rag-tag and bob-tail element, though possessing some respectabilities like Tom Paine, Thomas Jefferson and Benjamin Franklin, not to mention a few very eminent Frenchmen. All of which is not very enlightening as to the real justification for checks and balances.

A vastly useful book, but one of very evident bias is the occasion of these “few

remarks.” The work is by Ellis Paxson Oberholtzer, Ph. D., and is entitled, *The Referendum, Initiative and Recall in America*, and in a volume of 533 pages, published by Charles Scribner’s Sons, New York City, at \$2.00. It is a new and second edition with supplementary chapters covering the years from 1900 to 1911. We say the book is vastly useful even though written with evident prepossession in favor of the representative system of government and against direct legislation. Such prepossession might be condoned if buttressed by an argument for the democracy of representative government. Broadly speaking, the value of Direct Legislation may be questioned dubiously or with skepticism by the purest democrat. A man who believes in democracy will not deny to the people the right to vote directly on measures, but one may be the ripest sort of democrat and doubt the efficacy of the instrument. He may doubt it indeed, precisely because he does not believe it to be a democratic instrument. He may say that the people are good judges of ethical principles but poor judges of the technical principles of legislation. On this point he may quote Austin, who in his *Jurisprudence* says: “I will venture to affirm that what is commonly called the technical part of legislation is incomparably more difficult than what may be called the ethical. In other words, it is far easier to conceive justly what would be useful law than to construct that same law that it may accomplish the design of the law giver.” For this reason he may refuse to join those who regard this new reform with less qualified approval. Or he may hold that the designs of party government are in this way in danger of being set at naught—that the people may be interested in a cause itself, but cannot be induced in the same degree to interest themselves in the various steps in the progress of that cause.

But the writer of this book, we fear, is not that kind of a democrat. Tom Paine and Benjamin Franklin are names which he holds in somewhat candid contempt. He speaks of the French “economistes” who included the “physiocrats,” as “members of that singular sect which met to-

gether and constructed imaginary wealth out of imaginary land," which, whatever the errors of the physiocrats, is an utterly unfair characterization. He says, commenting upon the words of La Rouchefoucauld, where he says that "in Europe the favorable opinion respecting the democratic constitution of Pennsylvania had been more successful," that La Rouchefoucauld soon after met his death "at the hands of a mob as a result of the success which this opinion had gained in France," a monstrous conclusion of a "consequence" for which prejudice furnishes the only sanction.

The bias of the author, in spite of his scholarship, in spite, too, of the candor which compels him to admit that the Initiative and Referendum are with us as part of the historical development of our governmental system, is shown by this allusion to the "reformer"—(why not be more precise and give him a specific rather than a generic designation?) "The Reformer is without particular interest in the history, or the regular progress out of history, of institutions; his interests incline him to change, often only for the sake of change, and more for the sake of bringing in an era of policies which he conceives will work for the personal advantage of him and members of his social class." The Initiative and Referendum this "reformer" is said to regard as "bludgeons to beat the heads of the slower going parts of the population—the college trained (sic!), the reflecting (because college trained?) *the established, property-holding parts of the nation.*" (The Italics are ours.) There we have it. The prejudice against direct legislation is not that it is historically not well grounded, but that it may work against the established property-holding interests. Will it work against the interests of humanity, of Justice? Mr. Oberholtzer thinks so, perhaps. Why does he not say so, then? Why does he drag in property? Is he sure that the established property-holding parts of the nation ought not to be disturbed—perhaps *disestablished*? Is he sure that what makes against the property-holding parts of the nation is "by that same token" to be condemned?

What, to move on to another point,

does the writer by accusing advocates of direct legislation of "lacking respect for the authority of history?" He has shown us repeatedly in these pages that there has scarcely been a period in the history of our country when direct legislation, or direct action by the people, was not part of the practice of government. They are seemingly the legitimate fruits of our political development. What is this "authority of history" to which repeated reference is made? We are assured by many implications that those who have not the knowledge of it are as ignorant as Paine and Franklin. Then why not tell us what it is. If history has spoken so "authoritatively" she must have spoken loudly and clearly. If Mr. Oberholtzer has overheard her, and it would not trouble him too much to make revelation of the soliloquy, if it were really a soliloquy, let him repeat the words—if they were words—that fell from the lips of the muse. We will judge then how "authoritative" they are when we hear them. But really, we cannot take Mr. Oberholtzer's word for it, in the absence of direct testimony. If our author has evidence at first hand let him repeat it. The value of such direct testimony is that we cannot then say Mr. Oberholtzer lies, but that history does not say so. And in the absence of such testimony it is not fair to class us with Paine and Franklin merely because we do not believe what we have not heard.

Then, too, we may want to tread the paths "our father" trod, as we are advised on page 453, but again the question arises—*what* paths and *why*? We don't want to tread the paths "our fathers" trod *merely* because they trod them, any more than we want to wear our father's shoes—these at least are worn out, and maybe the paths are, too. But, though this last is a digression which arises from our frivolling mood—did you say, *our* fathers, *Herr* Oberholtzer?

Now a word in final seriousness. This work is a valuable one. None other commands so wide and comprehensive a survey of what has been done in the history of the Referendum, Initiative and Recall in America. And the friends of these meas-

ures, as well as the opponents, will find many ready-made weapons to hand. It is but just to say that the bias, obvious enough in the summing up, has not vitiated what is historical in a work of much excellence and great industry.—JOSEPH DANA MILLER.

AKRON, OHIO.

The Akron Single Tax League continues its regular semi-monthly meetings at its rooms in the Arcade Block. On last Tuesday the address was by Mr. Hosea Paul, of Cleveland. In addition to these evening meetings, the League has instituted a weekly Friday luncheon at the Windsor Hotel. The officers of this live organization are: Albert C. Holloway, President, and W. F. Potting, Secretary.

WASHINGTON, D. C.

Congressman George's bill for the taxation of land values of the District of Columbia was adversely reported by the District Commissioners. The Congress Heights Citizens' Association met and by resolution strongly condemned the commissioners for so reporting before granting the people of the District a hearing. Mr. George has been requested to introduce a measure compelling the commissioners to grant hearings on all legislation affecting the interests of the district before reporting to Congress.

WOMEN'S LINCOLN DINNER.

The Women's Henry George League held their Annual Lincoln Dinner at the Cafe Boulevard on Lincoln's birthday, February 12. Mrs. E. M. Murray, President of the League, presided ably and introduced the speakers with quotations from the poems of Edwin Markham, who was present.

The topic for the evening was "The New Morality," which was treated by speakers in its various phases. Miss Grace Isabel Colbron, the opening speaker, explained

that the "New Morality" was the morality of public and human service, rather than the old ideals of morality which were those of creed and personal service. Bishop Williams, of Michigan, followed Miss Colbron enlarging on this same view, saying that the new morality was the older Christian morality put into actual practice. Among the other speakers were Dr. W. E. du Bois, editor of the *Crisis*, Miss Rose Schniederman of the Women's Trade Union League, Mr. John S. Crosby and Miss Charlotte Schetter. The dinner was attended by about 150.

SOME explain Germany's success by the word "regulation." It is far more than that; it is "team play." This implies a common mind at work on common problems. Germany is not so much a nation of thinkers as a nation thinking.—L. M. POWERS in *Twentieth Century Magazine*.

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English League for the Taxation of Land Values, 376-7, Strand, London, W. C.

Scottish League for the Taxation of Land Values, 67 West Nile Street, Glasgow.

Edinburgh League for the Taxation of Land Values, 7 Leopold Place, Edinburgh. Highland Land Values League, 22 High St., Inverness.

Land Values Committee for Wales, 94 Queen St., Cardiff.

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Isle of Thanet League, (C. J. Fells), 94 High St., Ramsgate.

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PERIODICALS.

UNITED STATES—*The Public*, Dearborn Street. Chicago.

The Single Tax Review, 150 Nassau St., New York.

The Star, San Francisco.

Fairhope Courier, Fairhope, Alabama.

ORGANIZATIONS.

UNITED STATES—Manhattan Single Tax Club, 47 West 42nd St. N. Y. City.

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A. W. Roebuck, "Temiskaming Herald," New Liskeard, Ontario.

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