

The land-value tax does not discourage but stimulates production, is easy to assess and collect, cannot be evaded, and is simple, direct, and certain; but the rough-and-ready taxes on ability reflected in income are not only inferior practically to the land-value tax but are wrong in principle. They may be thought necessary if an abnormally high level of government spending is required, but the ideal (which

involves the single tax) is for each individual to enjoy what he produces—wages and interest—and for the community to enjoy collectively what they have produced collectively—land rent. Judged by this clear principle it can be seen that a tax on land values does not in fairness imply, but on the contrary prohibits, a tax on “rent of ability” and “rent” of capital.

BOOK REVIEW

By HARLAN TROTT

## Public Power and Private Interests

*THE CONSERVATION FIGHT* — From *Theodore Roosevelt to the Tennessee Valley Authority*: By Judson King. Public Affairs Press, Washington, D.C. \$6.00.

WHAT Mr. King calls “the conservation fight” has its roots deep in what is fundamentally the land question. We heartily commend his book in those terms. As a study in applied history in the half century between “T.R.” and T.V.A., the author separates the myths from the facts throughout some 300 significant and often exciting pages.

One of the myths that have grown up around the folklore of American politics is that one way to tell a Democrat from a Republican is to find out where he stands on the question of public v private development of the nation’s natural water power resources.

The book explodes this one—as though it really ever needed to!—by citing these forthright words by Borah of Idaho: “I am in favour of absolute public ownership.” And in case there is any doubt where that staunch Republican stood on the question that is being agitated today in the guise of “partnership” between government and private companies, Borah is quoted as saying: “The leasing system is a delusion so far as our natural resources are concerned—the lurking rendezvous of incompetent service to the public and corruption... The republic may be in some instances strong enough to destroy monopoly, but it will never be strong enough to regulate it and control it... Wherever private gain has ceased to be under the law of competition the business must then come under public ownership, where private gain will be eliminated. Whether it is a railroad or a coal mine. Some will say this is State Socialism, and so far as it is, and to the extent it is, I am for State Socialism. Names have no terror for me. I am for results.”

It was Senator George Norris, who pioneered the fight for T.V.A., of course. But such a conspicuous Republican target as that had to be written off as a renegade, a Socialist in white Republican robes. But it is fun to see how Mr. King musters up men like Borah and the big California landlord, Republican Congressman William Kent.

It was Kent who wrote Louis Post about the time Judson King was taking up his work as a Washington lobbyist for the water conservationists that “I have been brought to

do a lot of thinking about this land-owning privilege which seems to me as absurd and as unjust as a privilege can be.” Kent was a tower of strength in the legislative battle for San Francisco’s Hetch Hetchy water supply, one of the two statutes Congress enacted in the Wilson administration which had major effects on national water power policy. The other was the Federal Water Power Act of 1920.

To appreciate the integrity and the importance of this book, you have to realise the high calibre of Judson King. His work as a crusading publicist for public ownership of water power resources spanned the era covered in his book from Teddy Roosevelt to enactment of the Tennessee Valley Authority Act. He was courageous, intelligent, articulate to a high degree. Nothing points up Judson King’s perception more eloquently, his conviction that the public power question was basically a land question, than his reference to the focus held by Associate Justice Hugo Black of the U.S. Supreme Court. During what historians dubbed the Muscles Shoals Delirium, foes of the measure protested against the entire nation footing the bills from which a single region would benefit. It was seen that the plan would not only provide flood control on the Tennessee but would ease the flood danger in the Mississippi Valley, too.

Mr. Justice Black, then a Senator from Alabama, interposed: “But suppose it raises the price of lands bordering on the Mississippi River or in the Mississippi Valley, then we ought to have a legislative decree that the increased profits which come from the raising of the value of those lands by flood control shall be equitably distributed among all the other states.”

Here Mr. King goes on to observe that “it is manifestly unjust that land holders should, without turning a hand, profit from investments by the state or federal governments to promote the general welfare; or, indeed, from the investments and labour of the citizenry. That is an untapped, legitimate source of revenue with which the future must and doubtless will deal as soon as the American people come to understand the nature of fundamental democracy.”

Shortly after laying down his pen, Judson King died. It is no overstatement to regard his book as a public legacy—as a monument to its author and an inspiration to its readers.