

thought and ability—but never more than the wages of effort. Huge incomes are not based on the recipient's productive powers, but on his ability (through his own efforts, or through the instrumentality of circumstances), to secure to himself the product of others.

15. It is claimed by Single Taxers that if land were made free by governmental collection of ground rent, no man would work for wages less than the amount he could wrest from marginal land by his own efforts. Would the farming of marginal land provide a decent living with the present over-production of farm products and widespread distress among the rural population? And would not the taxes of many small farmers be increased rather than lessened?

The claim of Single Taxers as stated in the question is correct, but marginal land under the Single Tax will be something altogether different from marginal land under the present system of private land ownership. There probably is no free marginal land left in the "civilized?" world today, and workers everywhere are compelled to sell their labor at the mere cost of keeping body and soul together—and they are not very successful at that.

There are not enough people in the world to use productively, under the Single Tax, even those lands that we class today as the most productive. With the best lands open to the use of producers as they then will be, what we have been accustomed to call marginal lands will become forests and parks. The return on best lands obviously will provide "a decent living."

What Mr. Battenheim calls over-production he knows to be under-consumption. If potential consumers could buy there would be no over-production. Many of the farms that farmers now are working would, under our system, pay virtually no taxes at all. They are, many of them, in out of the way and almost inaccessible regions. But farmers, under the Single Tax, will always pay low "taxes" (to adhere to the language of the question,) for farm lands and rural lands generally will always pay lower land rent than city and suburban lands. It is our modern tax system together with rent to private land owners and interest on land mortgages that burden the farmer, and keep him poor. All taxes on his buildings, farm implements, and the commodities he buys removed, and the need for paying rent and interest to private land owners abolished, the farmer will be in fact what he is said to be in fiction, the most independent man in the world.

16. In a system of land-value taxation, how could we correct the lack of balance between production and consumption which brings on crises?

Under Henry George's system of Land Rent Socialization there will be no "lack of balance between production and consumption" to correct. Nature has provided the laws that will do all the regulating that will be necessary. The Law of Supply and Demand is not a fiction or a figment of the brain, nor is it a human invention. Among other things the law of supply and demand establishes prices of commodities that are the indexes that may guide producers. Under a condition of freedom, with specula-

tion removed, as it then will be, these indexes can, and will, be observed.

Would it be amiss, however, to add that with all labor employed and all producers receiving the full value of their product, which is the condition that will prevail under the Single Tax, the effective demand for commodities will be so great that not only will there be no over-production, but more and newer and better machinery will have to be invented to keep pace with consumption.

Eloquent Plea for the Enclave

HON. ABE D. WALDAUER AT HENRY GEORGE CONGRESS
(Slightly Condensed)

THE subject, "Political Action vs. Enclave" is a misnomer. We all want to see the Single Tax become an actuality. There is no contest between the enclave and those favoring political action; they are two means of seeking to accomplish the same thing. For the enclavians believe in political action. Ultimately, this is the only effective way to achieve the Single Tax. But enclavians realize that it will take some time to get results through political action, and we want results of a permanent character here and now!

We have had some efforts at political action in the past. What is the situation that confronts us now?

To begin with, so far as the States are concerned, we find that slightly over two-thirds of them have constitutional provisions which literally stand as giant boulders in the path of successful political action so far as Single Tax is concerned. These State Constitutions forbid collecting all public revenue by absorbing economic ground rent. Therefore, the efforts at political action must, in the absence of constitutional amendments, be restricted to less than one-third of the States. When you analyse these States, what is the situation? In the great mass of population of these States, there is scattered here and there a pathetically small number of men and women who see the wisdom and embrace the philosophy of the Prophet of San Francisco.

If they raise aloft the banner of Henry George, if they proceed to carry the proposal to the ballot box without money or organization, without the ballyhoo, the radio, campaign stickers and badges, and without the directing intelligence that makes for political success, they will fail. For politics is a game, a game of organization and mass action, a game of trafficking and trading, of intensive lobbying and mustering of forces, a game of "you scratch my back and I'll scratch yours," a game which involves experience, skill, ability and personalities, as well as of measures and men. And frequently battles won at the ballot box are lost in the count. Henry George, in his first mayoralty campaign, really won, but he was counted out. In Houston, we succeeded in electing Joseph Pastoriza as Mayor. He went to work and put into action a limited form of municipal Single Tax without a statutory

grant of power, but the Supreme Court of Texas stopped him. We carried municipal Single Tax in Pueblo, but unfriendly and inefficient administration of it led to its repeal. We have won political victories; but they have not been effective or of long duration.

It is my firm belief that if the Single Tax movement succeeds in carrying one state, and there has the theory honestly and efficiently carried out, that state will thrive, develop and grow. It will prosper to such an extent that the inevitable effect of economic competition will compel the other states to adopt the Single Tax, whether they like it, understand it, know it or want it!

And so I am for political action, first because it is the American way of doing things, and secondly because it is perhaps the best way to popularize this movement and make people understand it.

But we must remember that as a general rule, in this country, we don't vote for a given thing or person, but rather, we vote against things and people. The current *Literary Digest* poll on the Presidential race furnishes an illustration. Look at the tremendous increase in the Democratic vote. Let's not fool ourselves. That doesn't mean that all of these people have changed their fundamental concepts of government overnight. That poll represents a protest vote, the people are voting not for Roosevelt, but against Hoover! And so, in this movement, we need leaders with vision, who, recognizing this principle, can so state our case to the people of the United States as to make them vote against those who despoil the people through the medium of landlordism. We must so adjust our political propaganda that even though the people may not be educated economists and may not understand the intricacies of economics, they will nevertheless vote for themselves and for humanity, and against the favored few owners of land and holders of title deeds.

What are we to do about it? Take the case of Mayor in a small town, in the State of Tennessee: The Mayor of that town would like to see modified Single Tax for municipal purposes. But these people are the cautious kind—they go step by step; they want it, but they can't do anything about it. For there stands the barrier of the Constitution, which says that all property real, personal and mixed, shall be taxed equally. We can't do anything about that. Why? Because the Constitution was written in 1870—it is a post-war Constitution—written at a time when the people were struggling against the control of the carpet bagger. The first thing they did after re-capturing their State, and properly so—was to call a Constitutional Convention, and they wrote the constitution, wrote it with the fixed determination that there should be no amendment to the Constitution which would deprive them of control of their own Government. What did that provide? First, in order to get a Constitutional Amendment through, you have to submit it to the Legislature; pass it through both houses by a majority vote. You have to wait two years to see what earnest and serious students

of government think of the amendment, and then you go back to the Legislature and have the same proposal passed, this time by a two-thirds vote of both the House and Senate. Does your proposal become an amendment to the Constitution then? Oh, no! It must then be submitted to the people of the State, and if a majority vote approves it, the proposal then becomes an amendment to the Constitution of the State. I need hardly tell you that never since that Constitution was adopted, has the State of Tennessee had a change in her organic law, her Constitution.

I want to see the results of the Single Tax now, while I live, while I can see it—and not in the glowing hereafter—not in the dim and distant future.

And so, my friends, I have gone Enclavian. An enclave is an area of land, rented for the economic ground rent, and out of the rents collected all taxes are paid. Thus, indirectly, the Single Tax is applied to the area owned by the enclave.

But, you may say, that isn't the way to do it. Perhaps it isn't the best way to do it. I know that Henry George opposed compensation to the landowners, and so do I. But if we cannot, as in Tennessee, free the land in any other way, I am willing to go Enclavian and buy land to free it, because it is the only way open to me that promises immediate results.

What have I done since going Enclavian?

That brings up two questions for discussion. First, I want to talk a little about Wall Hill, the world's newest enclave; and then about another plan I have in mind which may challenge the attention of this group.

Last year, in Memphis, we got up the Mayor's Unemployment Committee under the leadership of Mayor Overton, to take care of the unemployed in Memphis, to feed them, and to try to find jobs for them. A lot of people gave money to it. I was one of those. After the Unemployment Committee went off the scene, all the unemployed were not back at work. Somebody conceived the idea of each person able to do so adopting a family. Bill Loeb, a good friend of mine, called me on the phone and said: "Will you adopt a family, and will you contribute eight dollars a month to keep them up?" I said "I will not!" When he asked me why, I told him: "Why, Bill, that's a dole, a gift, it's charity. It robs a man of his self-respect; it takes from him his ability to stand on his own feet. I am not enthusiastic about doing that. You are keeping them alive, but you are doing them immeasurable hurt. These unemployed don't want your dole, but they should have equal right to the use of the earth. Give them access to land; and you could solve the whole problem of unemployment!" He said: "Well, if you're so damn smart, figure out a better way, and give me the answer."

Wall Hill was the answer!

That town isn't named after me; it's a hundred years old. Colonel Kenon Taylor owned a small tract of land near there. I told him of the plan to start an enclave,

and asked him to give us some land. He did it; thereby setting an example which the whole State of Mississippi could well emulate in using those lands which have reverted to the State. The time will come when his action will be hailed as a great event in the history of that State. I promised to match him, acre for acre. Thus the enclave started. We took his thirty-five acres, and on April 28, this year, Cole Litton, the Gaston of Wall Hill, went down to the enclave.

I agreed with Colonel Taylor and Cole Litton to advance Litton and his family the necessary money to start farming operations and live until a crop was gathered, not as a gift, but as a loan. Two families became Enclavians. They were over five hundred dollars in debt. Today, because this land has been opened to labor, they are now \$250.00 in debt. In other words, they have lived from April until now, and they have reduced their indebtedness. But more than that; they have on hand live-stock, hogs, a couple of cows, six steers, and enough meat, canned vegetables and fruit to carry them through the winter and until another crop is produced.

Wall Hill shows to the nation that there need be no unemployment and starvation in this land of plenty!

In the last decade, the thought of the nation has been concentrated on farm relief; and here were the Single Taxers, with the best plan of agricultural relief yet devised, but we were practically silent. What a golden opportunity we missed!

Do you believe your own doctrine? Do you believe the application of labor to land would solve the unemployment problem? I do! And I am unwilling to wait until a lot of Legislators, Mayors, Congressmen and Senators are willing to give the ideas of Henry George a chance to prove that he was right. We have been trying to convince them and the people since 1897; we have gotten practically nowhere. In the world at large, land is monopolized and idle in large areas, with attendant poverty and unemployment. But through the medium of enclaves, there are in the world today fourteen free areas of land, resplendent in their glory, daily demonstrating the correctness of the principles in which we believe, which principles were proclaimed by the Prophet of San Francisco!

Are the Enclavians on the right track? Do you believe that labor need only have access to land to free itself? I do! Why? Because in my office today are applications from more than two hundred families, land-hungry, unemployed, up against it. What do they want? Not tariffs; not Federal Farm Boards; not currency reforms; not Reconstruction Finance Corporations, nor all the other governmental expedients to which we have turned in our vain and futile efforts to stem the tide of depression. They want access to land, and make no mistake about that.

So much for Wall Hill. And now, another thought. The development of this thought must necessarily be in the future, because it is a mere idea now. I don't know

whether the idea will work out or not; I do not know whether it can be done, but I am willing to try it and see if it can be done.

About three weeks ago, I had the privilege of appearing before Memphis Post No. 1 of the American Legion, the world's largest Post. The Legion, as you know, is an organization of World War veterans, who, just a few years ago, were proclaimed throughout the nation as the valiant defenders of their country. Most of them were valiant defenders, but of their boarding houses! Anyhow, we went forward to make the world safe for democracy—whatever that means—and we did our best. Now we have come home. A grateful Government, recognizing that our efforts should be compensated more than had been paid us, passed a law giving us an "Adjusted Service Certificate." After the Government had scattered money generously to the railroads; after it had enriched many contractors through cost plus cantonement contracts; after it had paid the railroad workers handsomely, through enacting the Adamson eight-hour law; after it had rewarded the patriotic growers of castor-beans; after it had paid the skilled electricians at Muscle Shoals at the rate of ten dollars per day for work involving no hazard of life or limb; after it had paid the brave and daring ship-carpenters who went over the top with a hammer, three thousand miles from the front; after it had given certain "key men" in industry one dollar per year—(and vastly overpaid some of them at that rate!); after it had done all these things, and paid in cash this great and grateful Government turned to its soldiery and said: "You are entitled to an adjustment of your pay!" Did they pay us in cash, like they did the manufacturers of our uniforms? They did not. They gave us a piece of paper, a promissory note, which matures in 1945. Of course, you can collect sooner if you die, because the certificate is payable to your heirs if the soldier does not survive until 1945.

In this connection, one thing happened during the recent march of the Bonus Expeditionary Forces upon Washington, which went far, as the President of the United States viewed it, to mar the otherwise complete success of that little gathering: Two of the bonus marchers actually succeeded in collecting their certificates at once and in full. I refer to the two veterans that Mr. Hoover's militia-men shot to death!

When the depression came, the Government set up the Reconstruction Finance Corporation, and charged it with the duty of unfreezing frozen assets and relieving unemployment. That corporation was given a few billion dollars with which to do this job. The law regaining that corporation demands that its loans be made upon the faith of "self-liquidating obligations." It occurred to me that here were a lot of soldiers holding obligations of their own Government, due in 1945; and I took before Memphis Post No. 1 of the American Legion the proposal of founding here in Shelby County a soldier's enclave,

to do, on a large scale, what had been done at Wall Hill by me individually, and to do it with money borrowed from the Reconstruction Finance Corporation.

Here is the proposal:

1. "That the Legion organize a non-stock, non-profit corporation, which corporation should borrow funds through Reconstruction Finance Corporation.

2. "That the Legion corporation buy land, and mortgage the land to secure the repayment of the purchase price.

3. "That the Legion rent this land, in small tracts, to unemployed ex-service men, on a 99-year lease, with the right accorded the ex-service man to surrender his lease at the end of any crop year.

4. "That the soldier pay to the Legion corporation the annual economic ground rent for the land he uses, exclusive of the value of the improvements on the land.

5. "That the soldier make the Legion corporation the beneficiary of his adjusted service certificate, and agree not to change the beneficiary so long as the soldier is indebted to the Legion corporation.

6. "That the Legion corporation finance the soldier in the building of his house, and in furnishing production credit for the purpose of making a crop, the loans to carry the lowest rates of interest consistent with the Legion corporation's ability to secure finance.

7. "The Legion corporation would be amply secured by the soldier's adjusted service certificate. This is a self-liquidating obligation, of the highest type conceivable, because it is the obligation of the Government, and will certainly be paid in 1945, even if Congress does not sooner change the maturity. Moreover, this plan results in the indirect cashing of the bonus, in that it makes the money available now, when the unemployed soldiers need it most; and it compels investment along sound lines of economic usefulness. The soldier thus becomes self-sustaining. He is removed from competition with other unemployment in the cities. He becomes a producer immediately, and has a real purchasing power. He is not dependent upon charity."

Is there anything wrong with that? The Government has admitted that it owes these ex-service men this money. I think that's the sanest, the surest and the fairest way of indirectly cashing these bonus certificates, and using the proceeds immediately, that has been devised. That proposal is now on its way to the Reconstruction Finance Corporation.

I got up and talked like this to the Legion. Did the members of the Memphis Post approve this plan? There were over four hundred at the meeting. They did. They voted for it and appointed a committee, of which I have the honor to be a member, to do what we can to put this plan in operation here and now. Think of what we could do. Suppose we could get a million dollars for the purpose of creating an industrial enclave near a city of a quarter million population! Then the gallant defenders of our country—who are no longer defenders of their boarding houses—would be, so far as this soldier's enclave is concerned, given equal rights to use this much of the earth.

Let me put it this way: Reference was made today to the fact that science and invention in the last hundred years have literally outstripped the rest of our activities in America. We are living in an age of twentieth century instrumentalities of production, but have a sixteenth century system of taxation. We are enjoying it hugely, as is attested by the thousands of bursted banks, by the eleven million unemployed, by misery and poverty stalking the land, and by fanatical doctrines of tariff. That's how we are enjoying it!

Contrast invention and politics. One illustration will suffice: Two gentlemen living in Dayton, Ohio—Orville and Wilbur Wright—conceived the idea of flying a heavier-than-air machine. They had a bicycle shop, but closed it, sold it, and went to Kitty Hawk, N. C., to develop their machine. They believed their machine would fly and were willing to stake their lives on that belief. They got into that machine, cranked it, and the next day the world was literally astounded to learn that a machine, heavier-than-air, would actually fly.

What would have happened if, before getting into that machine, they had been confronted with the necessity of taking those plans and specifications of the airplane to the people and saying: "This thing is scientifically sound, and we ask your permission, through a majority vote, to put this thing in action." What would have happened? I can hear some fundamentalist say, "it is unrighteous. If God had wanted you to fly, he would have given you wings. It is contrary to the Church." The mere thought of flying would have staggered the imagination of so many citizens that you would have had to hold the necessary referendum in the enclave of Sant Jordi where men are free—and where they could have tried it.

Don't you see the parallel? We know this Single Tax of Henry George will work—we know it with the same calm and definite assurance that Orville and Wilbur Wright knew their airplane would fly; but we have to get majority action at the ballot box before we can fly our airplane.

So I am an Enclavian, because, while I realize that the Single Tax plane is right and ready to fly, I believe I could fly it faster and stir the people into political action quicker than I can if I just talk about economics or the Malthusian theory and all of the other doctrines that infest present-day political economy.

I am an Enclavian, because I want to do something here and now; and because these enclaves help to bring us to the realization of the Single Tax. The experience of fourteen enclaves in the world shows what can be done. My friend, Clayton Ewing, tells me that there are a million Single Taxers in the United States today. Suppose these Single Taxers would part with Five Dollars each for the next five years and devote that money to building enclaves! In five years you would have Twenty-Five Million Dollars, and that in these days of Hoover prosperity, will pay for a

lot of land. You would have enough land to make a demonstration, a convincing demonstration, on the basis of political economy. You would have enough land to make the airplane fly and make all of the other people want to fly, without asking their permission to do it.

I am an Enclavian because I believe we can do something for the Single Tax here and now, without fuss or confusion, without convincing folks or changing laws, without campaigns and ballyhoo. We need only acquire land, rent it for the economic ground rent, and use that rent to correct, insofar as we can, the errors of Government through unsound taxation. The way is open, the road is clear, if we but have the courage to take the great highway to human freedom. For when we free the land, inevitably we free the men!

Schalkenbach Foundation Work

WITH the advent of the fall season the Foundation directed its efforts towards placing "Progress and Poverty," with its brightly designed new jacket, in the bookstores of the country. There were several obstacles to this project. One was that the Index used by booksellers stated that the books of Henry George were out of print, or that they were published by Doubleday (Garden City Publishing Company). Then, too, dealers were unwilling to handle the book because they claimed there was not a large demand for it and they could not afford to give the space to books that moved slowly.

An attractive circular was prepared in which the attention of the booksellers was called to the fact that Henry George books were available from the Foundation at special prices to dealers. An introductory offer was made to 3,300 dealers, asking them to try four copies of "Progress and Poverty." A free portrait of Henry George, with special display matter, was sent with each order placed by a dealer. Bookstores in New York and New Jersey received advance copies of an advertisement that the Foundation ran in the *New York Times* and *New York Sun* on October 29. A postcard was sent to about 700 Single Taxers asking their cooperation in patronizing local bookstores, and interesting the dealers in stocking and displaying Henry George books, especially "Progress and Poverty."

We are happy to report that a large number of bookstores responded and placed our books on display and in stock. If readers of LAND AND FREEDOM are able to do so, we would appreciate their placing an order for the Henry George books with their local bookstore, so that the number of contacts may be increased. Make certain that the dealer is familiar with the fact that the books are available from the Foundation, 11 Park Place, New York, and that he will send to us for his supply. We will furnish the color portrait of Henry George and display material free of charge.

Mr. David Gibson of Cleveland, has placed more than 100 books with the leading bookstores of his city, and "Progress and Poverty" has been sold to the general public there by means of window displays in these stores.

Dr. Gaither in Memphis, cooperated with the Foundation in obtaining the entire window of the leading bookstore, Taylor & Co., and the Foundation sent especially prepared signs and display material, together with some 200 books and pamphlets. This display drew the attention of the public in Memphis to the Henry George Congress that was held during the week of October 10, and many books were sold.

Other Single Taxers, including Mr. George Foster Peabody, Mr. Boyd Cornick, and Mr. Edward Polak have carried on the work of interesting local bookstores in their respective communities, and it is a work that we urge upon anyone who has the time and inclination, since it provides a means of distribution hitherto closed.

A letter was sent to 4,000 high school teachers and professors throughout the country, calling attention to the use that can be made of "Significant Paragraphs" or "Progress and Poverty," in classroom study of the ideas of Henry George. We often wish that those who feel the movement is making slow progress could see the letters that come from high schools and colleges, together with the orders for books in quantities for class work. We answer many letters of inquiry concerning certain phases of Henry George's writings, the development of the Single Tax movement, etc., and we supply pamphlet literature to a number of debating societies and student groups.

During the month of October about 12,000 circular letters of one kind or another went out from the Foundation office, and it is estimated that an average of 25 letters a day were sent out in answer to the large correspondence that is kept up in many directions. The advertisement on the anniversary of Henry George's death referred to above, as appearing in the *Times* and the *Sun* sold more than 120 copies of "Progress and Poverty" for us, and revived numerous contacts with one-time Single Taxers in the metropolitan district who had lost track of the movement. Many people unacquainted with the ideas of Henry George visited the office and learned something of the life and work of the author of "Progress and Poverty." The advertisements were prepared by our President, Mr. Hennessy.

Mr. Harold Sudell spoke before a Grange meeting in West Chester, Pa., in answer to a call from the Foundation to fill a speaking date arranged for by Mr. Taylor of West Chester. Likewise, Mr. James Blauvelt of the New Jersey League, will speak before a group in Waterbury, Conn., at a meeting arranged by Dr. Royal Hayes.

THE FRIENDLY PRESS

The columns of newspapers and magazines have had many references to Henry George during the past month,