

where opportunities were greatest, and where the standard of living was best. And in spite of oppressive laws imposed by mother country the condition of labor was so much better in this country that immigration continued in increasing volume.

Nor did this relative advantage of labor cease with the setting up of an independent government. The early tariffs levied by the young government for purposes of revenue were low, yet wages and the standard of living were high, as shown by the steady movement of population. Henry Clay, the great high priest of Protection, said, when pleading for a protective tariff, we must have protection to American factories because wages are high in this country. That is the way he put it, "because wages are high in this country." Men who would engage in manufacturing said they could not do so because the labor of the country was already employed at wages higher than they could afford to pay without Protection. Labor in the fisheries, on the shipping, in the forests and on the farms was earning more than in European countries, and would not voluntarily enter manufacturing until the population was of sufficient density to permit of economical production. But the Protectionists, impatient of delay, disregarding economic laws, and ignoring the advantages of natural conditions, sought to drive Labor into factories by taxing it in other industries.

Now, if American wages and the standard of living were higher than abroad during the struggling Colonial days, and during the early days of the Republic, so that it was necessary to have a high tariff to drive men into manufacturing, at just what time did the metamorphosis take place that changed cause into effect, and effect into cause? Who will name the day, month or year in which the tariff raised wages or elevated the standard of living?



There is a reason why certain persons in this country wish the voters to believe their standard of living depends upon a protective tariff.

In the early days, when population was flowing into the Colonies in spite of the repressive laws of the mother country, Labor fared well, and employers enjoyed reasonable profits; but there were very few rich men. The American millionaire was as yet undreamed of.

But with the advent of a Protective tariff a change came. Labor found conditions hard, and growing harder.

In spite of the utmost that unions can do, the margin of income over outgo is lessening. Men marry later, or not at all. Families are limited to

two or three children, instead of the ten or twelve of former times. Employers find themselves facing a choice between failure and joining a trust. The millionaire is unnoticed, the multi-millionaire is a commonplace, and the black flag of the billionaire is already discernible on the horizon.

Is it really a mark of wisdom on our part to accept without question the claims of these interested persons?

STOUGHTON COOLEY.



THE TAX AMENDMENTS IN MISSOURI.*

Generally speaking, under the Amendment relating to the subject matter of taxation, the following Missouri taxpayers will pay increased taxes:

(a.) Public service corporations, certainly, as long as their franchise values remain capitalized.

(b.) The owners of vacant and inadequately improved city and town lots, considering their availability, especially such as are located at the very centers of population.

(c.) The owners of lands speculatively withheld with a view to subdivision for future municipal needs.

(d.) The owners of idle available lands throughout the State.

The owners of adequately improved and utilized lands, considering their availability, will pay substantially the same taxes as now, the tax on the improvements being shifted to the land value, and the owners of specially well and appropriately improved lands will probably pay less.



But an exaggerated idea of the change involved is apt to creep into the public mind. Let us, then, examine the situation.

The last manual issued by the Secretary of State of Missouri gives us the following figures touching the taxable wealth of the State (using round numbers for mental comfort):

Total real estate values.....	\$1,135,000,000
Total personal property.....	359,000,000
Total public service corporation property	181,000,000

Or a grand total of.....\$1,676,000,000

Thus we see that real estate values now furnish about two-thirds of the taxable wealth of the State.

*This article, somewhat more extended, was originally written for and published in The Republic of St. Louis. It was in reply to a fair editorial in opposition to the land-value-tax amendment proposed by the Equitable Taxation League of Missouri, and financed largely by the Joseph Fels Fund of America, of which Daniel Kiefer, Blymyer Building, Cincinnati, Ohio, is the chairman. As the question now before the voters of Missouri for their action at the next election is pre-

and private personal property only a little over one-fifth, so that, taking the burden off of personal property, involves no great change, and if other sources, such as the New York tax upon the recording of mortgages and on inheritances, should be availed of, it may involve no increase whatsoever in the aggregate real estate taxes.

Again, of the foregoing total taxable real estate values:

The City of St. Louis furnishes.....	\$440,692,800
The County of St. Louis furnishes.....	43,993,920
Jackson County (including Kansas City)	131,059,140

In other words, these three local jurisdictions furnish \$615,695,860, or over one-half of the total taxable real estate values of the State as at present assessed.

How far such assessments and distribution of values are justly uniform remains to be seen. The State Tax Commission of 1901 reported the assessments as varying from 30 to 90 per cent of the selling prices in the different counties. Of course, as long as this assessment of distribution prevails, the jurisdictions mentioned will bear the largest burdens.

We must not, on the other hand, forget that the problem of taxation is almost purely a local one, and could, by a separation of the sources of State and local revenues, be made entirely so. This is so because under our present system nine-tenths of the revenues are for local purposes and only one-tenth for State purposes, and this demonstrates that the exemption from taxation in each county of personal property, or real estate improvements, will practically affect only the real estate in that county, and entirely so when the sources of State or local revenues are completely separated. Both the Tax Commissions of 1901 and 1907 urged such separation.



How much of our total real estate values throughout the State are represented by idle lands and what are termed "washed hillsides and scraggy uplands," we have no means of knowing definitely. Both as to this and to the matter of the assessment and distribution of values above referred to, we may hope for much from the investigations of the Tax Commission called for by the second of the Amendments in question. We may say in passing that the last United States census report gives about 55 per cent of the land of Missouri as well improved and under cultivation.

sent with so much lucidity by Mr. Werner in this article, and as the article is for that and other reasons, of general concern and interest, we adopt it as a signed editorial.—Editors of The Public. [See Public of August 30, page 828.]

One word as to the taxation of franchise values. It is, of course, evident that whatever taxes are paid by public-service corporations are in reality paid by the public. One reason for taxing these is that the corporations themselves capitalize them and insist on earning returns on such values. Eliminate these and it would seem there would remain no franchise values to be taxed, and that these corporations should then be taxed on the same basis as any other taxpayer. Of course their profits will continue to be controlled by charter limitations or State regulation.



Each taxpayer, if interested in the personal application, can figure the whole matter out roughly for himself. He will find nothing cataclysmal in the result.

He must remember likewise two things: First, any increase will only be temporary if increased values lead to decreased rates; and, second, that an increase in a tax is no injury if it bring increased prosperity. The farmer who will pay \$25 instead of \$20 a year in taxes (and it has been figured that among the farmers of the State the actual average increase, where there is any increase, will not be more, the revenue remaining the same), will care little for this increase, if the extra \$5 serves to stimulate the market demands for his products.

And this brings me to the real grounds of my support of the proposed tax amendment, to wit, its social as distinguished from its personal or individual aspect.



The general property tax system is being abandoned by all civilized nations. Hear what Prof. Seligman of Columbia University, New York, says of it: "It puts a premium on dishonesty and debauches the public conscience. It reduces deception to a system and makes a science of knavery. It presses hardest on those least able to pay. It imposes double taxation on one man and grants immunity to the next. In short, the general property tax is so flagrantly inequitable that its retention can only be explained through ignorance or inertia. It is the cause of such crying injustice that its alteration or abolition must become the battle cry of every statesman and reformer."

And Prof. Weyl, in his "New Democracy," one of the sanest presentations of present-day political problems, says: "The prevalent theory in America during the last century was that taxation was to be levied for the sole purpose of raising government revenues. It should, therefore, be as little

as possible, and should be divided among the people according to their ability to pay. In other words, it should leave all citizens in the same relative position as it found them. We are now going over more completely to a conception of taxation as an instrument for the socialization of production and wealth as a means of changing the currents and directions of distribution. In other words, the social as well as the merely fiscal ends of taxation are held in view."

I do not claim that the form of the proposed amendment is the wisest and best that could have been adopted, but I support it in the absence of a better because I believe it offers an enormous advance over our present basis, and promises the following benefits:

First. Justly placing the burden of taxation on socially created values.

Second. Wisely relieving merchants and manufacturers of license taxes, and the products of labor and the accumulations of thrift as represented by personal property from all tax burdens.

Third. Offering a system simple, certain and efficient.

Fourth. Involving a moral uplift of our taxpayers.

Fifth. Educating the social sense of our people.

PERCY WERNER.

CONDENSED EDITORIALS

A SENSELESS THING IN BOSTON.

Henry Sterling in The Progressive Workingman (Boston), of August 31.

There are over 7,000 acres of vacant land within the boundaries of Boston (assessors' figures); enough for an additional population of more than 35,000 at 50 persons per acre.

Yet, it is said that there are as many as 1,000 per acre living in some spots.

Could anything be more senseless, more heartless, than to let all this land lie empty, naked, staring up to heaven, useless, while all these thousands suffer so for a chance to live upon it?

Why not have a city Planning Board, and study how best to utilize our resources for the good of all?

Land is our only material gift from God.

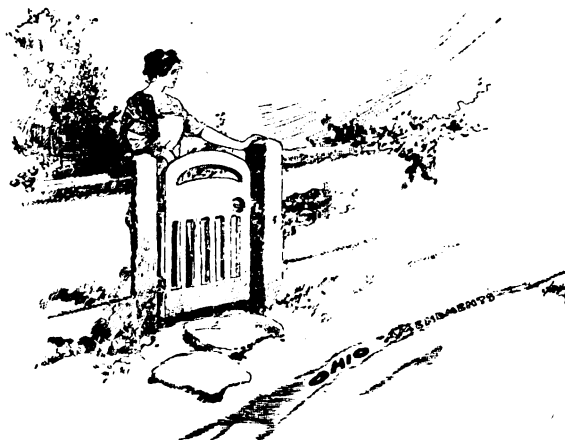
It is essential to all employments, all homes, all necessities, all happiness. Yet we mock God by making merchandise of His gift.

We exploit His children, charging extortionate prices for its use, and they perish for lack of space while half the land is idle.

Systematic, well-planned growth, with a heavy tax on land and exemption for buildings, would cure these two evils—congestion and unused resources—and also another Senseless Thing—unemployment.

EDITORIAL CORRESPONDENCE

Left Behind.



J. W. Donahey in Cleveland Plain Dealer of September 5, 1912. Reproduced in The Public by courteous permission of the Editor of the Plain Dealer.



WOMAN'S SUFFRAGE IN OHIO.

Lake Erie College, Painesville, Ohio.

The whole country has been watching Ohio to see what she would do on September 3d. She did some splendid things. The Initiative and Referendum, home rule for cities and welfare of employes were among them. But equal suffrage apparently received a black eye.

We say apparently advisedly, for the campaign has revealed some interesting facts with regard to the state of public opinion.

In the first place it was the liquor interests who fought it tooth and nail, their last coup d'etat being the broadcast distribution of a sheet of specious arguments when it was too late to reply. They know the propensity women have for thorough housecleaning, when they get at it, although in fact the suffragists were not mixed up as such with any other issue, some of them even favoring license.

In the second place, two of the counties to vote for the suffrage amendment were in the heart of the conservative Western Reserve region, settled by the descendants of Connecticut and representing the Eastern spirit more nearly perhaps than any other section of our country. Let New England and New York take notice. The women who were the leaders are worthy descendants of Plymouth Rock and Mary Lyon. To those watching the polls on election day it seemed evident also that the best men were on their side, that it was the more ignorant voters and those tied up with questionable business that were adverse.

A third fact is revealed, and that is that there has not been time enough for thorough education, that many men voted No because their wives were indifferent. This is one of the strongest arguments for the political emancipation of women. Let them once feel the responsibility of public questions and they will no longer speak of "your" cause and