

# The Square Deal

WE CLAIM THE EARTH AS THE PROPERTY OF THE WHOLE PEOPLE.

To the individual, the values created by his own industry, without taxation.

To the community, the values created by the community for revenue.

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TORONTO, MAY, 1932

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## New Speakers at Meetings

Owing to the Executive Committee meeting on the second Thursday of the month intervening, and certain other interferences, the public meetings at the Single Tax headquarters, 68 King St. East, Toronto, have not been held regularly each week, as formerly. Since last reported, two meetings have taken place, as follows:

On April 28, Mr. Fred R. Wilkes, a new recruit to the Association's ranks, spoke on "Putting the Single Tax Across—Can It Be Done?" He felt very confident that it could be done, but the proposition must be "sold" to the people. The plan outlined by him was listened to with much interest by those present. More about it later, we trust.

On May 5, Mr. John P. Holloway, who had been in closer touch with the movement some 25 or 30 years ago than of late, told his hearers why he did not think the Single Tax proposition alone was adequate to meet the needs of the present situation. He thoroughly believed in the taking of the economic rent for public revenue, but in his opinion much more was required to be done; he thought the need for practically the whole program of Socialism was apparent.

Naturally, many of those present took issue with the speaker, and the case for the sufficiency of the Single Tax program was well put by several of those taking part in the discussion.

## An Appreciation

Editor, *The Square Deal*:

Dear Sir,—I consider your article, "Interest and Taxes—Product of Land Monopoly," in your January, 1932, issue, one of the finest, if not the finest, expositions of that subject which I have ever read.

You pack into five paragraphs the whole explanation of the subject.

My only fear is that but a handful of readers will be able to fully grasp what you are driving at.

I congratulate you.

Please send me 100 copies with bill.

Sincerely, B. W. Burger,

150 Nassau St., New York, April 4, 1932.

Mental power is the motor of progress, and men tend to advance in proportion to the mental power expended in progression—the mental power which is devoted to the extension of knowledge, the improvement of methods, and the betterment of social conditions.—Henry George.

## A Single Tax Candidate

*The Courier* is glad to note the candidacy of a fine Chicago Single Taxer, George P. Tideman, for representative in the general assembly of Illinois from the sixth senatorial district. Like that other young Single Taxer, Mr. Jones, who is a candidate for governor, Mr. Tideman has entered himself in the Republican primary, but his platform, presented in his literature with striking cartoons, is a straight-out plea for taking the site value of land for government revenue. Read this:

"Business has been taxed to death. The only way to bring it to life is to untax it.

"Six million unemployed! That is twice the population of the United States when the Declaration of Independence was given to the world.

"These unemployed want food, clothing, fuel and shelter.

"Where do these things come from? From natural resources, the surface of the earth. Question: Are they unemployed because we have run short of natural resources? Emphatically no! Are they unwilling to work? No indeed! Well! If six million willing but idle workers are present, and abundant natural resources are present, there must be some obstruction that keeps the six million away from natural resources. What is this obstruction? It is the exorbitant high price of land. What is it a vacant lot speculator gets when he makes a lucky deal? He gets something for nothing, because the value of land (natural resources) is a social value created by government service. The vacant lot did not produce wealth. What the speculator got was a cash payment that really belonged to government. So long as our government allows its own land value to go to private persons, you, our neighbors, and I, bid against each other to obtain advantageous land in order to get our hand in on this 'unearned increment.' Result:—Land prices in city and country climb to forbidding heights and strangle industry. People are forced out of their jobs by the million.

"Now let's you and I insist that our government keep this land value which it creates, by a Site Value Tax on the privilege of holding land. As a consequence land in city and country will fall in selling price to a common sense level. Then the people can acquire the natural resources needed for their employment. The only cure for unemployment is employment."

Here's hoping that he wins.—*Fairhope Courier*.

(We commend this clear-cut statement to all who wish to understand more clearly the fundamental reform known as the Single Tax.—Ed.)

# THE SQUARE DEAL

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## INEFFICIENCY OF GOVERNMENTS.

Socialists are wont to say that Henry George men would intensify competition and private ownership. This is not true. We do not want to intensify competition and private ownership, but we wish to bring about a condition of freedom, based on justice and equal rights, to the use of those things God has provided equally for all men.

The present condition of unemployment and inequality of wealth is not due to machinery or increased production, but wholly due to our present half-baked Socialism which afflicts every government on earth. Men are no longer free to use the earth nor can they freely exchange the products of their own labor with their fellow men. Trade is virtually prohibited between nations; individuals are fined for employing labor or for doing any useful work. Calling it a tax makes it none the less a fine. We cannot carry on business of any kind without being taxed, licensed, regulated and in every way controlled and hampered by other two-legged animals of no more intelligence and having no moral right to so interfere.

This is a moral universe and the distribution of wealth is a moral question. It is governed by laws just as certain in their operation and beneficial in their results as the law of physics or mathematics which the Creator has ordained to apply to material things.

When Socialists and other half-baked theorists study to find out what is right and just, and intelligently apply themselves to investigate the natural laws for the distribution of wealth, they will learn that it is not more restrictions and regulations we want but more liberty and protection against the most inefficient and unintelligent of agencies, the Government. The only proper function of Government is the preservation of the rights of individuals, and anything beyond that is not only unscientific but unethical and socially disastrous. If any one doubts this, look at the mess the world is in to-day, through restrictions of liberty and the neglect of securing to each citizen the right to use the natural heritage on equal terms with every other.

The only possible way out of the mess is to repeal all these vexatious interferences with the natural rights of man, beginning first with restrictions in his use of the earth itself and following that with the repeal of all restrictions on legitimate trade.

**When done with your copy of "The Square Deal" pass it on. This applies also to other Single Tax publications.**

## The People's Rights in the Air

The report of the March 18 meeting of the Special Committee on Radio Broadcasting of the House of Commons came to hand just too late for more than brief mention in our April number. At this meeting Mr. A. C. Campbell, of Ottawa, representing the Single Tax Association, presented Georgist principles as they apply to "The Air."

Mr. Campbell presented these principles as follows: "The Single Tax Association of Ontario holds it as fundamental in all society, and therefore in our own, that natural resources are a gift to the existing generation in trust for its own members and for future generations. This makes such resources, to our way of thinking, inalienable. No private ownership can be established, and any privilege granted to private parties must be balanced by a payment to the public of the value of the privilege. It is because we propose such payment as the sole source of general revenue for the public that we are called Single Taxers."

After commenting upon the fact that in Canada mines, waterpowers, and indeed all resources other than arable land, are generally retained in public ownership, and are leased rather than sold, Mr. Campbell called attention to the fact that the air is actually a physical element, and a part of our natural resources. He said: "Human progress has developed the use of this element, 'The Air,' in such a way as to be profitable to private parties. But these private parties did not make the element, nor did they make the progress which has brought the element into profitable use. Private parties are reasonably entitled to all they can make by using radio, but not to any share of Canada's territory. Those responsible for the custody and management of Canada's territory are in duty bound to secure for the public all the value that accrues from the use of the radio element."

Comparing radio to an older service, a road, he said: "A road, for instance, is a service using an element—the surface of the earth. Time was when there were private rights in our roads, and we depended upon private companies to build and service our roads. Resulting conflicts and difficulties drove us back to first principles—public ownership of natural resources and equal rights for all secured for all under democratic control."

In the name of the Association Mr. Campbell made to the Committee a petition, of which the following is the crucial clause:

"Apply the Single Tax method, either

"(1) By such tax on any privilege given in 'The Air' as will take for the public the whole value of such privilege; or

"(2) By public ownership and operation of radio service on the well-known and established lines of public service involving similar principles."

"No member can dispute the fact that the spending of money upon the building of railways has had the effect of enormously enhancing land values. Consequently instead of users of the railways being called upon to pay excessive freights and fares they are at present paying because of the enormous interest charges on the capital cost, those interest charges should be a direct charge on the value of the land."—E. J. Cragie, M.L.A., on the Railways Directorate Bill in the Legislative Assembly, Adelaide.

## The Case Against Interest

By ALAN C. THOMPSON.

According to the National City Bank of New York, the mortgages on real estate held by the banks of United States total two hundred and twenty-eight billions of dollars. In addition to this the United States Federal Government owe some twenty billions. The States and Municipal indebtedness total at least twenty billions more. If to this we add railway bonds, and the interest-bearing bonds of power, light and other electric companies and the enormous amount of bank and private loans, we would have a total of interest-bearing debts of not less than three hundred billions of dollars. The interest on this will amount to not less than fifteen billions annually. Assuming that one-third of this represents loans on land and therefore is simply rent in another form, there will still remain ten billions of dollars as interest pure and simple, which will represent a tribute from labor to the owners of these "securities" of \$80 a head for every man, woman and child in the United States.

According to the Canada Year Book, published by the Dominion Bureau of Statistics, a Government publication, the national, provincial and municipal debts of Canada exceed four thousand two hundred and eighty million dollars. The railway debts, not including the amount due to the Government from the C.N.R., which is not interest-bearing, amounts to 2,861 millions. Bank loans amount to 2,064 millions. Loans from insurance companies, mortgage companies, etc., amount to an additional 800 millions, making a total of over ten billions. If we add to this the capitalization of industry as recorded in the same publication of some five billions of dollars, we have an interest obligation of some fifteen billions.

Assuming that one-third of this represents land values, we have ten billions as the indebtedness of ten million people, or \$1,000 per head, involving an annual payment of at least \$50.

Inasmuch as according to statistics 10 per cent. of the people own 80 per cent. of the wealth, then it follows that this 10 per cent. are collecting \$200 a year from every family of five persons. This works out that the average family of five persons of the fortunate 10 per cent. is collecting not less than \$1,800 a year as his proportion of the 80 per cent., and this is in addition to whatever share of rent he receives. Now for this revenue the receivers are supposed to have supplied the users with capital which if retained by them would have produced a like income, and it is on this assumption and it alone that interest is justified, but is this so?

Let us investigate the condition under which interest arises and also closely examine the supposition that the takers of interest could or would use the wealth, from the loan of which they derive their income, productively, if they could not lend it on interest.

In a primitive community where land is plentiful and treated as common property and there are no slaves, the total production of labor will be wages. When, however, the community increases in population so that certain locations near the centre of things becomes more desirable than unoccupied land at the frontier, these lands command a premium, and this premium is rent.

When this rent is taken by the community, we have an illustration of the natural law of distribution, namely, privately produced wealth going wholly to the producer as wages and the publicly produced value, rent, being taken as the community's revenue. Thus wages, is the individual's income and rent, that of the community. When so treated all workers are on equality as to opportunity and all equally benefited in the expenditure of rent for public purposes, and under these conditions interest will not arise.

When, however, the land becomes monopolized and rent is collected by the private owners who give no return to the workers except permission to use "their" land, workers are deprived of a large portion of their wages and thus the use of the capital they have produced, causing a shortage of capital to the workers.

The need for capital having arisen, to whom will the borrower go? Certainly not to any worker, manufacturer or any one engaged in productive occupation (except as a personal favor), instead he applies to a banker, a loan company or some other representative of the interest-collecting class, who are professional lenders, or to some person who has no immediate use for some of his wealth.

And since the rent-collecting class being relatively small in numbers do not consume the whole of their income, and so have a surplus, they become the lending class and are willing to lend to labor on condition that they receive a portion of the increase which the use of the loan confers on labor. Any return in excess of replacement of the original capital is interest and its amount will be determined by the ratio of the amount of capital seeking investment and the number of workers seeking capital. It will, however, never be less than the return which the capitalist can get by buying land and collecting the rent.

(To be continued)

## Bequest Made to Foundation

The late Mr. Henry Knight, of St. Catharines, Honorary President of the Single Tax Association of Ontario, whose death occurred on March 3rd, took a deep interest in the propagation of the doctrines of Henry George, especially among the young people of the community. To this work he not only gave liberal financial support while living, but when his will was read it was found that he had made provision therein for the payment to the Henry George Foundation of Canada of the income from ten thousand dollars.

The Foundation was incorporated about two years ago, in order that there should be a trustee body to which legacies might be willed or donations made for carrying on the work of teaching the truth for the reconstruction of society on a basis of justice, as set forth in the teachings of Henry George.

We are advised that other members of the Single Tax Association of Ontario have made provision in their wills for the leaving of legacies to the Foundation, and would commend their example to others who desire to have the movement continue after their demise.

For further particulars regarding the Foundation, apply to the President, Mr. A. W. Roebuck, 801 Sterling Tower, Toronto 2, or the Secretary, Mr. Ernest J. Farmer, 48 Fulton Ave., Toronto 6.

## The Land Speculation Racket

By Frederick P. Ingram.

Speculators will continue to hold lands idle unless and until privilege of holding them idle is taxed so high that there can be no money in it. This should be done under the principle of beneficial use which has already been established in some western states with respect to water. No man can lay claim to more water for irrigation purposes than he puts to beneficial use. The principle would bring even greater benefit if applied to land and it would be an act of justice and common sense. The farmer who owns and works his farm has also the gambler's chance as a land speculator, but his gain is at the expense of the labor that produces from his land and since he furnishes that labor he can gain nothing from monopoly extortion, for the total extortion is at his own expense. Besides, he has to carry on his back a horde of other extortioners who don't work but live off of men like himself who do work. That this is so, is plain, and there is no lack of evidence to the fact.

Governmental authorities have already taken action in some instances similar to receivership, to stimulate food production. North Dakota through its Council of Defense authorized any farmer to go upon and crop idle land. The act provided that the owner should receive 10 per cent. of the net proceeds as his share of the crop if unbroken land and 25 per cent. if broken land. The only recourse the owner of the land had was to cultivate it himself.

The Federal Government has entered into a sort of partnership to secure the cultivation of some of the western dry lands in the neighborhood of U.S. irrigation dams built by it at the cost of millions. The government furnishes water for irrigation, a private company furnishes land, machinery, tools and seed, farmers cultivate and harvest the crop and take two-thirds, the private company getting the other third. While these projects will increase food production in some measure, they will not solve the food problem. The farmer needs co-operation, not competition.—*The Paradox.*

## The Landlord's Rake-off

When men gather about a table in a gambling room and throw their stakes on that table, the game-keeper reaches in and takes out his rake-off.

They play; one wins and, being a good sport, throws his winnings back on the table, and the game-keeper reaches in again and again takes out his rake-off.

They play repeatedly, and each time the game-keeper takes out his rake-off. If they play long enough the game-keeper gets all the money.

### The Landlords' Dole.

We pave a street or build a bridge. Rent goes up and this is taken as the titleholders' rake-off for their "dole".

We build another school or construct a subway. Again the titleholders skim off the new "cream" and store it away to insure their ease and comfort in their old age.

We dig a ship canal. Rent goes up some more and the titleholders take a still larger rake-off and are still more secure; for Barnum was right, there's one born every minute and they like to work and sweat to support waterfront speculators.—*The Forum* (Stockton).

## Twentieth Century Fables No.—The Uglification Committee

A citizen of Toronto had an aunt who died and left him a million dollars. So he quit his job and would have lost it in a week anyway, since he worked for an importing firm which went broke on account of the tariff increases) and went travelling, to see the world.

After travelling about thirty thousand miles, mostly straight westward, he came to the city of Othorot, in the country of Adamac. One day a native, who was very friendly, took him to view the municipal offices.

Pointing out with great pride a handsome office, the native said: "This is the office of our Beautification Committee. They send out letters urging the people to paint their buildings, clean up, and plant trees and flowers; they offer prizes for the finest lawns and gardens, and in other ways encourage the beautifying of the city."

"An excellent idea," said the visitor. "We have such an organization in Toronto."

"And here," said the native, pointing out a still more imposing office, "is the office of our Uglification Committee. They exist to balance the Beautification Committee. If a man paints his house they fine him from five to ten bukk (a bukk is an Adamac monetary unit, equal to five shillings sterling) so long as the paint looks fresh. They also fine him if he plants trees or flowers. But if he lets his lawn grow up in weeds, or leaves a broken front step unrepaired, and sticks a rag in a broken window instead of replacing the pane, they reward him by allowing a remission of part of his taxes. Doubtless you have also an Uglification Committee in Toronto."

"Yes, we have such a Committee in Toronto," said the visitor, "but we call it the Assessment Department."

## Shall We Fall Into Anarchy?

*Labor*, official organ of the railroad men, published at Washington, editorially says that over 20,000 youths between 16 and 20 years of age are to-day reaming in gangs and hordes over the city of New York, without employment or any place they may call home. *Labor* recalls the fact that at the time of the collapse of the old Czarist regime hundreds of thousands of starving Russians rushed across that distressed country in an eager search for food. We wish to add that at the collapse of the children's crusade 800 years ago thousands of young people perished for lack of food. Later on, only 100 years ago, thousands of starving people in Ireland swept in hordes across the country searching for anything to eat. In each case it was the scarcity of food that led to anarchy. Can the people of New York read?—*Fairhope Courier*.

The people of the United States have not long to make their decision.

Here is the bill from which they may make their choice:

Communism and dividing up.  
Socialism and working for the state.  
The Georgist plan and freedom.

—*No Taxes*, Stockton, Cal.