

The Square Deal

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THE SQUARE DEAL

Room 13, 991 Bay Street, Toronto, Ontario, (RA. 5891)

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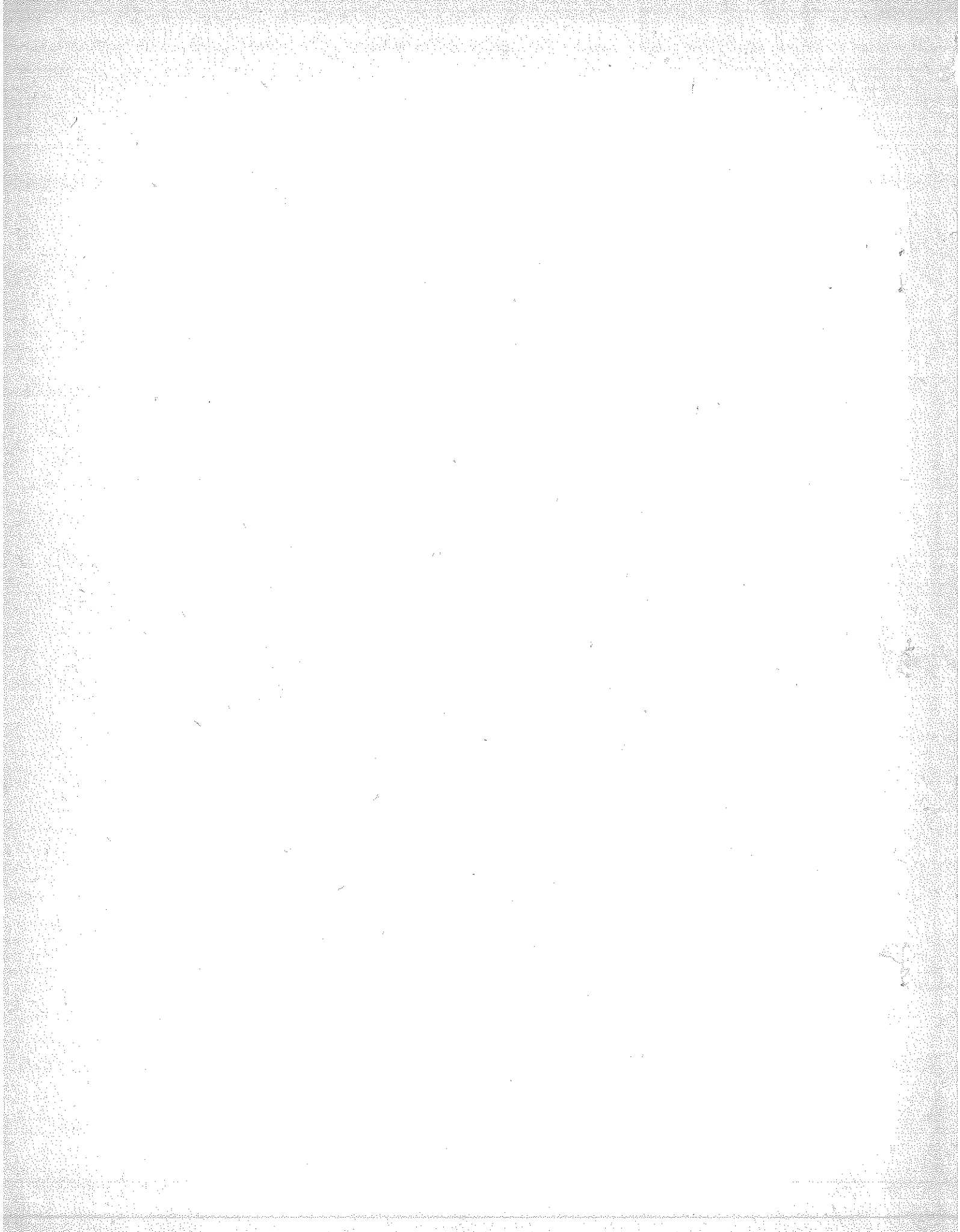
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THE HENRY GEORGE FOUNDATION OF AMERICA
FIFTEENTH ANNUAL CONVENTION

The Fifteenth Annual Convention of the Henry George Foundation of America was held in Washington, D. C., Wednesday to Friday, September 25th to 27th, 1940. The Committee of Arrangements, with Mrs. McEvoy, President of the Woman's Single Tax Club of Washington, as Chairman, procured accommodation for the sessions only a block from the White House, in a hotel, the twelfth story verandahs of which overlook the Potomac River and the country beyond almost to Mount Vernon. Due to the absence of any Canadian contingent the sessions were compared to "a beautiful mouth with a front tooth missing;" but the arrangements were excellent and the sessions highly instructive and inspiring.

The Wednesday sessions opened with a get-together roll call, in the course of which Benjamin Marsh, Executive Secretary of the People's Lobby, made some terse remarks on "free land for free people." Effective addresses followed. Dr. Millikin presented Harry J. Haase, whose book, 'Economic Democracy' has but recently been published. The Editor of 'Land and Freedom,' Mr. Clancy, spoke earnestly of the aims and achievements of that paper. Charles Ingersoll asked the question, "Can economics be simplified for teaching," and brought out an extraordinary flow of discussion.

In the evening session George E. Evans, Alderman of Pittsburgh, spoke of the actual achievement in the way of slum clearance in Pittsburgh. To a number of members who raised theoretic or technical points he answered: "I agree with you technically, but this is what we do in Pittsburgh." Henry Hardinge (a native of Peterborough, Ontario) spoke on "Why War Makes Business Good and Peace Makes it Bad." Of course he brought out the possibilities of high thinking, high living, and equal advantages for all. Clayton Ewing spoke on "The Truth is Always True." A well-known local news man challenged some statements from the Socialist viewpoint, but was afterward heard to remark, "No one ever tied up a real Single Taxer."

The Thursday session was distinguished by a great talk by Lancaster Greene, the only representative present of the Henry George School of Social Science, on the goal of the School. Mr. Green was introduced by Anna George de Mille. The evening session was 'Woman's Night'; addresses were given by Florence Armstrong, President of the District of Columbia Business and Professional Woman's Club, and a former Professor of Economics; by Miss Sara of the Speakers' Bureau in New York, and Miss Peterson of the Schalkenbach Foundation.

The afternoon session was adjourned at four o'clock for a memorable reason, a reception at the White House. Mrs. Franklin Roosevelt, First Lady of the Land, greeted Mrs. McEvoy with more than usual friendliness and chatted with the members with informal cordiality.

On Friday Mr. McCauley's paper, "Releasing the Go in Chicago" showed how rapidly the Henry George movement is progressing in the middle west cities. Barbara Crosser Sweeney spoke of her father's work in consistently supporting land value collection through 30 years in Congress. The afternoon session closed early; the members were entertained by Mrs. Ogle at tea in the Alva Belmont House, the headquarters of the National Woman's Party and the oldest habitable residence in the District of Columbia.

The closing banquet on Friday evening was for the first time presided over by women, Mrs. McEvoy and Mrs. MacKenzie as co-chairmen. Mr. Walter Swanton gave an inspiring talk on organization. Mayor David Scully of Pittsburgh, who had come down by air, showed how the Georgist theory may be woven into the political fabric and made to work. Mr. George Warren read a paper on a "Single Tax Bore" -- warning of tactless errors which may antagonize rather than convince. Congressman Robert Crosser, speaking on 'Standards of Absolute Justice' showed himself not only an able practical advocate but a profound philosopher.

The convention closed with the heartening feeling that the slogan adopted: 'Beginning the Winning' will yet be justified by events.

(Acknowledgments to "Alaska Jane" for material supplied)

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The fact is that the Single Tax contains elements of logic which no amount of refutation has been able to reach, and that, while adopted only here and there, and partially, as a doctrine it remains a challenge to the omnibus tax "system" which we employ. The Single Tax has the virtue of simplicity, not the defect of being naive. It is founded in great degree on a social ethical concept, and so dogmatic insistence is appropriate to it. -- Practical Problems in Economics, by Broadus Mitchell and Louise Pearson Mitchell, (Henry Holt & Co.) 1938. (Broadus Mitchell is with John Hopkins University)

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Your Morning Smile

Professor--Savage tribes never pay income tax.
Student--Then what makes them so savage?

A LETTER TO THE GLOBE AND MAIL

H. B. Cowan, Peterborough

Dear Sir:

The suggestion of Mr. H. L. Rogers, in a recent issue of The Globe and Mail, that "the municipal franchise" should be restricted to "only those who pay taxes directly to the city, and whose properties are in jeopardy if taxes are not paid," raises an issue of far-reaching importance. His alternative suggestion was that if tenants are allowed to retain their municipal franchise we should "make them and their goods directly responsible for the payment of taxes." Mr. Rogers claims that in the last ten years "about 8,000 families" in Toronto have "lost their homes" and asserts that "excessive taxation" was "a major cause."

Before Mr. Rogers' first suggestion is given any consideration it would be well to consider if a better system can not be instituted that will eliminate the chief defects of the existing system.

Mr. Rogers' second suggestion, that the tenants should be made responsible for the payment of the taxes, would have the effects that Mr. Rogers did not mention. It would immediately increase the value of the owners land. That would make it more difficult for people to buy land for building or improvement purposes. This, in turn, would increase both unemployment and rents and start a long list of other undesirable results. Thus the cure would prove worse than the disease.

Taxation not Necessarily Excessive

Mr. Rogers is right when he says that the existing system of taxation "is breaking down badly." Municipal authorities are pretty well agreed on that, as their representations to the Sirois Commission prove. Some months ago the editor of The Globe and Mail stated editorially that the assessed values of real estate in Toronto, during the past eight years, had declined \$102,738,000. That statement shows the tremendous importance of this subject. The trouble may not be due, however, as Mr. Rogers claims, to "excessive taxation." Rather it is the result of the incidence of the taxation. The tax on buildings is much too high. It is so high, that, as is shown in the brief of the National Construction Council to the Sirois Commission, it has brought the building industries to a virtual standstill. Thus it has largely destroyed the demand for land and thereby depreciated land values. This, in turn, has reduced civic assessments. It has resulted, also, in the destruction of a large number of buildings--the old and out-of-date ones--in

order to escape the payment of taxes upon them.

In contrast to this situation it is of interest to note that the experience of hundreds of municipalities has demonstrated that were the taxes on buildings to be eliminated, or materially reduced, a long list of desirable results would be set in motion. This matter long ago passed the academic stage of discussion. Under such a system of taxation, land values, over a period of years, go up, not down, in spite of the increased taxes levied upon them. Mr. Rogers assumes that land values would decrease. Instead, as just stated, they advance. When understood, the reason is simple.

Effect of Land Value Taxes

The first effect of increased taxes on land values is to squeeze out, or at least to considerably reduce, any speculative--not real--values they may contain. Thus land values may be reduced temporarily. This makes it easier for would-be builders to acquire land for building purposes. The fact that the taxation of buildings has been eliminated, or considerably reduced, adds a further stimulus to building. The result is that the decadent building industries are revived, a demand springs up for land for building purposes and land values increase but on the basis of their real, not their speculative, value.

There are hundreds of municipalities in Australia and New Zealand, which Dominions I visited in 1938, that have been under this system of taxation for many years. Sydney, Australia, is one of these. Sydney's population is 1,400,000. Thus it is larger than either Toronto or Montreal. I have a long list of these cities. In every one of them land values have increased steadily. The aggregate increase has been in the hundreds of millions of dollars.

The City of Sydney represents only the central business section, a very small part, of the Metropolis of Sydney. Sydney exempted buildings from all taxation in 1916. Taxes on land values were increased in proportion. In spite of this increased tax on land values these values increased from \$155,000,000, in 1916, to \$235,000,000, in 1938. This was an increase of \$80,000,000, or of 51 per cent. Between 1916 and 1940 land values for the whole of Toronto--a vastly larger area than the purely business section of Sydney--increased from \$290,262,815 to \$349,775,085, or by \$59,512,270 or by 20 per cent.

System Approved by Land Owners

When this system was first introduced in the State of South Australia, I was informed by Mr. E. J. Craigie, M. P., of Adelaide, both tenants and owners were allowed to vote for

or against its adoption. A considerable percentage of the owners voted against it. Under a new act voting at reversion polls was confined to land owners. In the meantime the new system had proved such a success only three municipalities brought on votes with the object of reverting to the former system of taxation. All three attempts were defeated by the votes of the land owners and by larger majorities than had been obtained at the adoption polls when tenants, also, had the right to vote.

An Example from Pittsburgh

In 1914 the City of Pittsburgh commenced to gradually reduce the assessment on buildings and to increase taxation on land values accordingly. Since 1925 buildings have been taxed at one half the rate on land values. Yet, between 1914 and 1938, land values in Pittsburgh increased from \$481,057,711 to \$552,691,800, or by \$71,634,089.

New York's Experience

On two occasions the City of New York has granted certain tax exemptions on buildings, with the object of promoting their erection. The first occasion was nearly twenty years ago. In reporting on the results of this experiment the State Commission on Housing and Regional Planning stated, in 1924:

"The value of new housing projects in 1921 showed an increase of 246 per cent, as compared with 1920. XXXThe upward trend continued into 1922.XXXPermits in the month of March reached an astounding peak --a total of \$145,000,000 for building permits for New York City. This unprecedented peak was due to the fear that the law would be permitted to lapse."

Now note the Commission's comment concerning the effect of this building boom on land values. On this point the Commission said:

"The resumption of building has greatly increased the taxable value of land. The tax assessment on land for all boroughs for 1922, the first year of tax exemption, was \$4,976,000,282. This represents an increase of \$56,000,000 over the land assessment for 1921."

Corresponding results could be quoted for a similar trial of this system of taxation, by New York City, within the past few years, but space will not permit. Land owners have nothing to fear from a system of taxation which produces such results as these. Their greatest danger lies in the continuation of the existing system of taxation which, as Mr. Rogers admits, "is breaking down badly."

BRITISH COLUMBIA TIMBER

To Whom it may Concern

And it really and truly concerns every man, woman and child in the Province of British Columbia.

The bulk of our timber has been withheld from use by speculators for more than a generation at a nominal rental. It is now being cut down at an ever increasing rate and shipped to other countries. (Of course there are temporary restrictions on account of the war.) A small percentage was in early days Crown granted at a dollar an acre.

Those who originally got possession of our timber have been making enormous fortunes, not by making use of it, but by simply holding it for a rise in value.

The present method of logging is most wasteful, more trees being destroyed than those made into lumber. It is also highly dangerous to the men who do the actual work as a glance at last year's casualties show; every consideration of humanity and fair play having to give place to profit.

Government has absolute power to regulate the industry with due regard for life and limb, and to increase the rental or to levy taxation. What is your M.P.P. doing about it? He is handsomely paid for looking after your interests.

It is no excuse to say that the forests were leased or Crown granted long ago; their administration is still absolutely in the hands of government, which can also increase rental or taxation at will.

It was the well considered and deliberate opinion of the late Hon. H. C. Brewster (and many others coincided) that the timber of this Province, properly administered, would liquidate all provincial expenses and keep us out of debt. Is there any justice in the people being robbed of their undoubted heritage that a mere handful of money-makers may be made millionaires?

The Henry George Club
Victoria, B.C.

Alexander Hamilton - President;
H. H. Hollins - Secretary.

Arcade Building,
Victoria, B. C.
October, 1940.

EDITORIALSBACK TO HENRY GEORGE

A. C. Campbell

Even in the lifetime of Henry George many movements were founded on parts of his work. The free traders, for instance, found that he talked their language not as a bagman with goods to sell but as a prophet. The land reformers saw that George had vastly widened the horizon of their movement. The tax reformers, the franchise reformers, the ethical and social reformers, took courage from "Progress and Poverty" and other works by the same great writer. And all recognized George as the man whose thought explained everything and whose sympathy gave all these movements a common sentiment of good will.

George died in 1897--forty-three years ago. Two generations of voters have grown up in that time. These people have had access to George's works and their reading has given them, as it were, a charter for operation in the several lines of reform that seemed to them most urgently needed.

Human nature shows itself most strangely in the sects and factions that make up the following of great leaders after those leaders have passed away. It might very well be argued that the very variety of people who preach their many doctrines and propose their many plans in the name of Henry George

is itself proof that George was a real prophet.

For a long time it seemed possible, yes, even likely, that the great work of our prophet would break up in questionings, misunderstandings, even quarrels, that would cover and conceal everything that, in his lifetime he had declared in words and manifested in deeds.

But recent years have brought great changes. It is seen by the most advanced leaders in the movement that the more active and determined they become in whatever phase of the work they have chosen the more they need the sympathy of all others who take part in this great, many-sided movement.

This leads to attempts to get together, attempts that should command attention and win approval even when the methods must be questioned or even disapproved.

And the wisest leaders realize that, after all, the one thing that unites and encourages us is the example of our noble leader. Besides, it is clear that however we may differ each of us finds the best expression of his views in Henry George's writings. Thus the very name is a help toward union and may easily become a help toward co-operation.

The newest and most extensive and promising work

that is now in progress has been happily named, "The Henry George School of Social Science." Under this name it is extending rapidly --quite wonderfully so if we allow, as surely we must, for the preoccupation of all minds by the growing horrors of the most widespread, most terrible, war the world ever has known. Georgeists of every type and name are helping the School. This very fact will make for unification in enthusiasm and tolerance in thought. And it all helps to make known our work to the children and grandchildren of those who lived in the time when the name of Henry George was a power.

In this connection it is noteworthy, especially by us Canadians, that our national organization has foregone the title "Single Tax", a title which nearly always led to argument and only sometimes to understanding, and now appears before the world as "The Henry George Society."

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"CONSIDERATIONS OF EQUITY"

There is an interesting admission in the Report of the Rowell-Sirois Commission. It was mentioned in the critical review of the Commission's Report which appeared in our May-June issue, but its implications were not dwelt upon there. The admission occurs in these words: "Or it may be considered that the taxation of large incomes and large estates may (without being unjust) be so high as to harm the national income by discourag-

ing both exertion and investment. ... In either of these cases, considerations of equity would normally be modified in the interest of overriding considerations of public policy."

The admission is that "over-riding considerations of public policy" can modify "considerations of equity." In other words, if the public policy of the ruling political group includes the belief that large incomes and estates are a benefit to a country then "considerations of equity" for the much larger group of citizens who are not so privileged are "modified" correspondingly.

However, that language is a bit high falutin. In plainer words, if the ruling party thinks it a benefit that there should be a wealthy class and a large mass of poor workers then considerations of justice for the poor are "modified" in favor of the wealthy. Somehow or other we had thought it was that way, but now this authoritative Commission tells us it is so. This is not very comforting for those who are condemned by a certain view of public policy to low incomes (or no incomes) and all that goes with that condition. There is, however, comfort in the reflection that the principle can work both ways, in that someday a party may arise that will have a different view of public policy and "considerations of equity", or justice, may veer the other way. -- H. T. O.

THE HAMILTON PAGE

Donald Hamon

Classes: By the time this appears in print, our first class in Progress and Poverty for this season will have graduated. The enthusiasm of the students has been most gratifying and they have been inquiring about extended courses on the subject of economics with the result plans are being made to introduce new lines of thought to continue throughout the winter. Accordingly, on the completion of this course, the class will immediately swing into Protection or Free Trade, which the former graduates have been reviewing during the past few weeks. It is hoped that this in turn will be followed by the Science of Political Economy and if time permits, Democracy Versus Socialism.

Typical of the attitude of the students is one young lady's comment, "I wonder what I used to think about before I started this course."

ABOUT RENT CONTROL

According to a recent news item, the Price Control Board is having difficulty in finding a suitable man for the post of rent control administrator because it has found "That the problem of rent control is shot through with fine legal points posing a great equation between tenant and landlord."

We, of the Hamilton Extension, would nominate the Hon. Arthur Roebuck, since his experience has equipped him to deal with "fine legal points"; and Mr. A. B. Farmer, as co-administrator, since he is a business man. There are other reasons, too, that we suggest these men. But there is no need to explain them; you know them.

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Two of the Hamilton Georgeists were in Toronto recently for a convention. Among the favours was a car expense booklet presented by an oil company. Among the distribution of expenses were columns for (1) number of gallons of gas, (2) cost of gas, (3) gas tax. We wonder just what the company is trying to bring out. Is it (1) that the tax is not part of the cost of the gas; or (2) that it is a charge for the privilege of operating a car? Or does the company want to emphasize to the motoring public just who pays the tax? And if so, for what reason, if any?

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The octopus of land speculation stretches its tentacles forth even to the realm of death. Witness the increase in popularity of cremation, the cost of land for graves being so high! What must land values be in Westminster Abbey!

MONTREAL NEWS

C. L. Huckabone

The Montreal Extension of the School of Economic Science started the fall term with an enrolment of 41 new students in Progress and Poverty, and are divided into two classes. The Monday night class is being led by Miss M. Bateman in the Y. W. C. A. premises and the Thursday night class will be progressed by Mr. P. Hellott, in the class room.

In addition Mr. Jerry Walsh has gathered together a class of fifteen pupils, to advance their knowledge of the Science, in the study of Protection or Free Trade, Friday nights.

Eighteen pupils, who have studied one or more of the above subjects, meet Monday evenings in a round table discussion of Democracy Versus Socialism. Mrs. Boudler is performing a Herculean task in confining enthusiastic discourse of the subject at hand, as well as contributing excellent material which must be garnered from a wide field, that of Socialistic writings. The class is proudly carrying on without a teacher's manual and judging from the discussions there should not be one incorrect answer.

Mr. John Anderson, President, has recently returned from a well earned vacation to inspire and ennoble the work required to check the Isms and perpetuate Democratic principles.

That Georgists never relax in their efforts to educate the masses is quite true and Miss S. Walton hopes to announce shortly the enrolment of enough pupils for two additional classes in Fundamental Economics.

(Editor's note: The Montreal School has appointed Mr. C. L. Huckabone, a graduate, to be its Square Deal correspondent.)

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MORE CANADIAN NEWS

OTTAWA: A study group in Fundamental Economics began here on October 24th at the home of its leader, Mr. H. G. Barber. About twelve students are enrolled, and an enjoyable time is anticipated. This is the third consecutive year that Mr. Barber has organized and conducted a similar group.

TORONTO: Mr. Robert Wynne, Hamilton Extension Secretary, called at Headquarters on October 15th. He reported that the Hamilton groups were quite successful and the students very enthusiastic.

TORONTO: Rev. W. A. Burbidge, one of our recent graduates, has gone back to Korea to continue his missionary work there.

On October 22nd Mr. Meredith Moffatt, Oshawa Extension Secretary, paid us a visit. He is reading all George's books that he can, as well as books by other Georgist writers, in order to have a thorough knowledge of the philosophy of Henry George. Mr. Moffatt expects to spend his time spreading the good news and wants to know his subject thoroughly. Keep up the good work.

Mr. and Mrs. Arch McColl and family have left Toronto and have gone to Trinidad, British West Indies. Have we any other Georgists there?

Mr. Julian Sale Sr., age 93, who has been living in Altadena, California, for several years, recently wrote Mr. George Bryan and enquired for his old associates in the movement.

The Sales Tax Repeal Association is fighting the process tax on wheat for human consumption, as well as the sales tax. Letters have been sent to all Members at Ottawa, leading Canadian newspapers, flour mills, etc.

Mr. Merritt A. Brown, a fellow Georgist, celebrated his 85th birthday on November 19th. Mr. Brown is a lawyer and still goes to the office every day. Congratulations Mr. Brown.

VICTORIA: The Henry George Club is indulging in local campaigns in regard to the exploitation of forest resources by speculating interests, and we hope to stir up public opinion on the subject.

We have been promised the opportunity of meeting the Ministerial Association, (a society of local churches) and hope to make an impression there.

Three bulletins "Re Proposal to Transfer Costs of Education from Municipalities to the Province" have been sent to Members of Parliament, Teachers Federations, Women's Institutes, Municipal Councils, Newspapers, etc. This is a very live question in British Columbia just now.

AMERICAN NEWS

A few of the American centres holding classes are: Sioux Falls, S.D., has a class in Fundamental Economics which has met with great success. Bellerose, L. I., has 3 classes; Waterbury, Conn., has a class in Political Economy; Greenwich, Conn. has one class and there are six held in Westchester County, N. Y. Classes are held in Detroit, Mich.

Bainbridge, N. Y. and San Diego, Cal. New York City is starting an extra session due to the large enrolment.

CHICAGO, Ill: The fall term of the School opened the week of September 16, with a total enrolment of over 500. The Speakers Bureau of our School is now under way, and has already made several speaking engagements, to be held at Rotary Clubs, churches, young people's clubs, etc.

Master's Degree Exam. The Examination for the Master's degree in the English Department at the University of Chicago included a quiz on Henry George's "Progress and Poverty." There were three questions. The first asked to explain George's reasoning processes. The second referred to George's environment as influencing his ideas. And the third asked for the Georgeist reply to typical criticisms.

NEW YORK, N. Y.: Fall classes opened here the week of September 23rd. The enrolment in the "Progress and Poverty" course is about 1300, and about 300 have registered for advanced courses.

An imposing series of advanced courses have been prepared which bid fair to gain for the School an academic reputation. Among these courses are: Basic Course in Sociology of Economic Institutions; Principle and Problems of Tax Policy; Public Speaking; Basic Principles of Composition; and Formal Logic.

About 400 students have enrolled for the correspondence course in "Progress and Poverty." A new course in "Protection or Free Trade" has been prepared for correspondence students who have completed the first course. Already 100 have enrolled for this advanced course.

Leo Satz, Henry George School graduate and a student at the College of The City of New York has organized a Henry George Society at the college. Cooperating with him are five fellow students who are also graduates of the Henry George School. Professor Hastings, of the City College Department of Economics, is faculty advisor.

The Society held its first meeting on September 26. It will meet hereafter regularly once a week to discuss current events in light of Henry George's doctrines. A member of the faculty of the Henry George School will attend each week to help lead the discussion.

The Board of Trustees of the Henry George School has been discussing the advisability of inaugurating annual conferences of instructors, extension secretaries and others interested in advancing the work of the School. It was tentatively agreed to hold the first one in New York during the last week of August or the first week of September, 1941.

Subjects for discussion will embrace pedagogical methods, promotional plans, curricula, correspondence course, the problem of getting students and so on.

NEW YORK: The School of Democracy is being started by Mr. Harry J. Haase, in collaboration with Mr. Charles H. Ingersoll. The present headquarters are at the Manhattan Single Tax Club, 1162 Broadway, New York City, in Room 203.

Classes are held daily. Several Georgists have become interested in the idea, and some are starting extension classes.

Courses offered: The Economics of Democracy; The Ethics of Democracy; The Politics of Democracy.

During September the Robert Schalkenbach Foundation printed ten thousand copies of "Progress and Poverty."

FREDERIC CYRUS LEUBUSCHER

We regret to learn of the passing of Frederic C. Leubuscher on August 20th at his home in Essex Fells, New Jersey, at the age of 81. He was an intimate friend of Henry George and a life long supporter of the Single Tax movement. In spite of his age and failing health he never lost his interest in the Henry George School of Social Science of which he was a trustee. He left it a bequest of \$3,000. He was President of the Manhattan Single Tax Club at the time of his death. Mr. Leubuscher, supported by Charles O'Connor Hennessy, made the proposal which founded the International Union for Land Value Taxation and Free Trade.

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EMPIRE NEWS

The October issue of "Land & Liberty" of London arrived very promptly, despite all war hazards. It contains excellent articles as always, including suggestions for spreading knowledge of Henry George literature. We urge our readers to consider the suggestions for holding reading circles using a series of pamphlets as text, each pamphlet studied completely at a single session. This suggestion was planned to meet conditions where regular classes were rendered difficult by the violent interruptions to which English activities are now liable, but would be equally useful in Canada for a group whose business and social activities prevent the regular weekly attendance necessary for a class in "Progress and Poverty."

LONDON: Georgist literature was sent to the Annual Conference of the Association of Municipal Authorities of Ireland, held September 12. Altogether, 1190 copies of each piece of literature were sent, and a number of Town Clerks responded,

saying they were giving the matter their attention.

Mr. F. C. R. Douglas, the new Georgist M. P. from North Battersea, is losing no time in speaking for sound economic principles in Parliament.

Henry George Fellowship, London: On 6th September the Fellowship had its "house warming" at the new Fellowship rooms at 26 Grosvenor Place, S.W.1. The proceedings went very well, although handicapped by the evening air raid warning.

STOKE-ON-TRENT Henry George Fellowship: We have been successful in starting a new class in Tunstall. We are hopeful of commencing two other classes at Goldenhill and Burslem.

WALES: Mr. Robert Wynne of Hamilton, Ontario, who from time to time has contributed informing articles on Land Value Taxation in Welsh papers and in Welsh language, has sent us, through the publishers, Gee & Son, of Denbigh, his manuscript, Yr Economeg Newydd (The New Economy), which has been passed on to Professor Roberts of Cardiff University, to advise what the League may be able to do in regard to it. (Land & Liberty, London)

IRELAND: The spreading of economic truth is impeded by the political division of the country. The partition keeps the political issue before the Irish people to the exclusion of the economic problem and serves the same purpose that Home Rule served in England. I don't expect much progress in our lines till the partition is removed; but it is well to spread the light amongst the more far-reaching people, which I am trying to do as opportunity offers.

AUSTRALIA: On Monday, August 26, Mr. E. J. Craigie, M. P. addressed the members of the Apex Club. The subject Mr. Craigie was asked to deal with was "The Single Tax." The address was followed with interest. There was a considerable amount of discussion, the discussion extending for thirty minutes longer than the time usually allowed. Literature was distributed to all present.

AUSTRALIA: The Sydney Standard for September, 1940, reports news of the N. S. W. School of Social Science: "Among the many hopeful results of the School's activities, one of the best has been the Class for Bank Officers, organised by Mr. H. N. Mitchell. It is attended by about 20 bank officers, who are taking a keen interest in the scientific unfolding of the mysteries which enshroud economic subjects.

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"Land value" isn't the value of land; it is the value of the privilege of collecting the rent. -- No Taxes.

OTTAWA NEWS LETTER

H. T. O.

In the neighboring suburb, Highland Park, 112 building permits have been issued this year, most of them for new homes. The lots on which these are built had reverted to Nepean Township for nonpayment of taxes -- an example of one land subdivision speculation which did not work out as the promoters hoped -- and the Township sold the lots for \$10 apiece provided immediate use were made of them. A large percentage of the homes built were financed under the Dominion Government's housing plan.

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Just across from Ottawa, on the Quebec side of the river, is the French city of Hull. That place has a problem. The Quebec government imposed a provincial sales tax at its last session, and Hull's storekeepers have to charge their customers 2% on all retail purchases and 10% on tobacco and cigarettes. Many of the unpatriotic citizens of Hull are transferring their purchases to Ottawa where there is no such tax, and Hull merchants are peeved about it, and when Premier Godbout visited the city complained to him about it and asked to have Hull exempted from having to collect it. The Premier promised "to try and find a means to balance the loss Hull merchants are sustaining." On top of Montreal's municipal sales tax, the Province felt it had to impose a provincialwide sales tax, so the people of Quebec province are finding out what it means to be rack-taxed as well as rackrented.

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The Prime Minister is convening a Dominion-Provincial conference to take place early in the new year to deal with the recommendations of the Rowell-Sirois Commission. He intimates that the ministry approves of the findings and that their adoption will facilitate both the war effort and postwar recovery. The Western provinces especially are clamoring for the adoption of the report which would relieve them of their bonded indebtedness and put it on the federal shoulders. The cost of the Commission's work is reported in a parliamentary return to have been \$533,600.

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Ottawa city council has appointed a committee to deal with housing. Mayor Stanley Lewis is on record that if something is not done about it "the lower-paid classes....are going to be in a serious situation."

THE CHURCH AND SOCIAL INJUSTICE

To the Editor of "The Church Standard."

Sir, -

I was surprised and delighted to read in your issue of June 28 the leading article entitled "The Church and Social Injustice". Does it mean that at long last the Church is anxious not merely to relieve those who suffer through social injustice, but to go down to the root cause and search out the remedy and, when found, to devote itself unreservedly to its eradication in spite of past traditions and customs?

Its true work is excellently put in the concluding words of your article: "Salvaging human souls and bodies amid a crumbling civilization". Mark, not souls, not bodies, but souls and bodies. You cannot separate them, they are lost or saved together. The first step is to lay a foundation of justice.

A nation is not Christian unless its laws are just. Many of our laws are totally opposed to the teaching of Christ. I mention two. First: Our land laws shut out millions from their birthright. Second: Our taxation system robs millions of their just wages. Surely these two are enough to start on.

We have lived in this atmosphere of injustice so long that we breathe it as unconcernedly as addicts breathe the vitiated air in an opium den. These two evils are the chief cause of extreme riches and extreme poverty existing side by side. Rousseau saw the injustice. He hated the rich and sought to undermine the source of their riches. This poison of hatred spread, and found in an exasperated people, its fruition in the awful crimes of the French Revolution.

Another man, Henry George, loved the poor, and sought out the cause of their poverty, and made plain to the world how it could be remedied by justice, but the world, including the Church, saw in it not a matter of justice but an attack on property and have turned their back on it. So the blind Church is leading a blind people, and sooner or later will come the inevitable result -- revolution and wars, crime, misery and godlessness.

The Church that dares to tackle these wrongs is the only Church worthy of a future. Is the Church waiting for God to remedy these evils, or is God still waiting for the Church to act? S. Luke 13:6-9.

I am, etc.,

3 Gill Terrace,
Glen Osmond, South Australia.
July 2.

(The Rev.) W. H. HOWARD

PIGS PREFERRED TO CHILDREN

(The following is the substance of a letter sent by Arthur B. Farmer to the Canadian Wheat Board)

We received your letter of August 19th informing us that a recent amendment to the Wheat Board Act provides for a further penalty of 15¢ a bushel, which amounts to about 16-2/3% at present Toronto prices, in addition to the 8% penalty provided by the Sales Tax, on the crime of preparing wheat for human food. Total penalty for parents, 24-2/3%. Your letter intimates, that, like the sales tax, this penalty does not apply to wheat prepared for pig feed.

We had hoped that a proposal so obviously absurd, so economically unsound, so politically inexpedient, so manifestly unjust, would, like the excise tax proposed on vegetable oils a year ago, be withdrawn before being put into operation. The tax on vegetable oils would have meant an added burden of three or four dollars on the family food and soap budget. This processing tax, we estimate, must ultimately mean a burden of from fifteen to thirty dollars each year on the food budget of the average family, and in course of adjustment leave behind the wrecks of a few more small independent food industries.

Press reports indicate that investigation has convinced your Board of something that your commonsense should have told you without need of research, that in the case of the milling and baking industries, they must pass the penalty on to their customers. The same must be true right down the line, the lag occurring in some cases working out finally to still greater losses to wheat producers and wheat consumers.

We appreciate the fact that the problem facing your Board is a large one, that of handling a surplus of wheat amounting possibly to two hundred million bushels per year for two, three, or four years, to face at the end of that time a devastated and bankrupt Europe, desperately in need of that wheat but totally unable to pay for it unless by some such arrangement as Joseph made some forty odd centuries ago in Egypt.

We wish to suggest that the six million dollars you expect to raise by the "processing tax" is totally inadequate for your task; but if you work out an economically sound plan, this very absurd and very unjust tax will be unnecessary.

When you are dealing with a problem of surplus, commonsense would suggest that you should aim to make wheat as cheap as possible to the users, so as to encourage consumption of wheat, and encourage manufacturers to develop and

popularize new uses. The processing tax works in the opposite direction. It increases the spread between producer and consumer, and by artificially increasing the price to manufacturers retards the development of new uses.

An addition of 16-2/3% to the basic cost of wheat, in addition to the other expenses involved in handling this interference with business means an addition to the food bill of the average family which we estimate at upwards of sixteen dollars a year. Since the wheat foods are among the most satisfying for the money that can be purchased, this means an equivalent reduction in the purchases of other foods which are important from a health standpoint, a destruction of a Canadian Home Market for milk and eggs, meat, fruits and vegetables worth upwards of \$30,000,000 a year.

Since wheat foods, being inexpensive, constitute a larger share of the food budget of the poor than of the well to do, this processing tax bears most heavily on those least able to pay. Economists call such a tax a 'regressive tax.' The prophets characterize it as 'grinding the faces of the poor.'

The reduction in the power of parents to purchase the protective foods which this processing tax involves is a direct attack on the health and the lives of Canadian children. We consider children of more importance than pigs. Perhaps other Canadian parents do.

We consider that serving one's fellows is a duty. To earn a living one must serve. To penalize a duty, a service, is economic stupidity. It is worse. It is a crime.

Governments, we are aware, have long been accustomed to make this mistake. We must learn better if we are to win this war and emerge victorious in a financial condition that will not make peace, for the mass of the citizens, more terrible than war.

Give children an even break with pigs.

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CORRECTION: The material in our article in the July-August issue on John Cunningham Brown was a condensation of a paper written by Mr. Alexander Hamilton, of Victoria, B. C., which was published as one of the papers of the Henry George Centenary. Regret is expressed that the source was not mentioned in connection with the article.

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NATURAL LAW AND THE STATE

Howard Stobbs

Since the first Great War there has been an increasing tendency to view the world as coloured only black and white. All that is not purest lily-white is uttermost jet-black. While it would be fatally easy to pursue this line of thought through every phase of modern life, it is most evident in the sphere of political activity.

There are two predominant schools of thought, and each sees its own as being all light and freedom, the other all darkness and terror. The one loudly proclaims as its super-man "The Rugged Individual," a creature of infinite resource, daring, and (as a by-product) benevolence -- a stalwart captain of his soul, single-handed defying the fates and the elements.

The other school sees Utopia as a perfectly functioning machine in which each cog performs its appointed task in happy fulfilment. Perhaps a better simile would be that of a great symphony orchestra, in which individual effort is consciously and gladly devoted to the balance and harmony of the whole.

Two noble and worthwhile ideals! -- but their devotees are so obsessed with the glory of their own that the other appears all evil. Each sees the faults of the other, but none of his own, and their warring brings inconclusive victory and defeat.

Both are right in their estimate of each other's faults. The Individualist is quite right in seeing that the Totalitarian's schemes will degenerate into the blank dutifulness of the ant-hill. The Totalitarian is correct in reducing Individualism to Anarchy and Jungle Law.

What then is the solution?

Surely it is that neither of these schools propounds the truth, the whole truth and nothing but the truth. Each contains something of the truth, enough to inspire its believers to great idealism, heroic self-sacrifice, and, too often, senseless cruelty of intolerance. Yet even a little consideration reveals the obvious answer so plainly that there should be no difficulty in seeing it.

Man has not one, but two parts to play in this material world. He is both an individual and a member of the community. In those matters which affect him as an individual, no human agency of city, country, or even a world-wide state, dare interfere without eventual disaster to itself. But if

he, as an individual, inflicts his will on the community, with no concern but his own immediate gratification, then civilizations decline and fall.

So far, any thinking person finds no difficulty in agreeing; but the trouble arises when there comes the question of how to arrange things so that both individual and community play their part, and no more than their own part, in the development of Mankind. Thus have arisen the two jarring schools; thus have both proved their inadequacy by past and present failure.

Is there an answer?

So intoxicated are the Individualists and Totalitarians by their own heady draughts that few have heard of Henry George's "Progress and Poverty," or the line of thought, centuries old, of which it is the culmination.

It is the one system that provides a working basis for man's fullest destiny -- the one that is built not to support any pride or prejudice. It supports nothing, indeed, for it is a cold, rational, logical exposition of Natural Law as evident as, and clearer than, the "Origin of Species."

Perhaps the followers of Henry George are partly responsible for the lack of general awareness of his great work. Too little they emphasize the difference between the framers of the constitution of, say, the U.S.A. or the U.S.S.R. on the one hand, and Henry George or Isaac Newton on the other hand. The former laid down the laws of their own devising; the latter discovered laws laid down either by God or the nature of things -- it matters not which, for these laws cannot be evaded or the penalties "fixed."

Let all Georgists insist perpetually on these great truths, that natural law contains the answer to "black or white," and their plan is not a panacea propounded by one more crank, but a sane, scientific obedience to natural law, discovered by a long historical evolution. Then "black or white" controversies will become quaint and comical as Gulliver's country where people fought to death about whether eggs should be opened at the big end or the little end.

(--Mr. Stobbs is a graduate of the Hamilton School and Librarian of the Club Library and also one of the teachers in the Hamilton School. Ed.)

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"There is nothing in the material sphere that men cannot do if they work together in peace and freedom." --Rt. Hon. Winston Churchill, M. P.

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