

democracy

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with the small "d"

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PITTSBURGH'S NEW TAX PLAN: BY RADIO-TYPE-LECTURES

INAUGURATED BY WILLIAM H. McNAIR, 68, DIED SEPTEMBER 9th, 1948, PITTSBURGH'S FIRST DEMOCRATIC MAYOR

First Successful Tax on Land Values

A FEW YEARS AGO I SPENT A COUPLE OF YEARS IN an effort to pass the SANFORD BILL to take taxes off ourselves and best friends and load them onto our most deadly enemies, the Monopolistic Parasite in the State of N. J. We passed the bill twice in the House but the Senate blocked it of course.

Then I visited Pittsburgh to see what my friends McNair, Williams, Eckert and others could tell me about a *Successful Tax Reform*, and I learned it all in two weeks interspersed with nearly 2 dozen lectures. Then I came back and resumed my Radio Broadcasting where I had been given (Free) some 6500 'spots' on 25 or 30 stations from Port Chester to Wilmington and Bridgeton.

And one of those most attractive stories that was repeated many times to those audiences was THE PITTSBURGH PLAN OF TAXATION. I am now putting it into print since politically and economically we are likely to extend this plan to cover the Cities of the Keystone State and I want to help.

What happened to 10 or 15 broadcasts a week when the War II approached? The owners became restless and gradually dropped what they later cheerily took of *lower grade-economics*. Reasons: (1) They could sell my TIME! (2) I had to be CAREFUL with WAR coming; when asked 'what of' they were of course dumb.

PITTSBURGH PLAN OF TAXATION

YES, I AM INGERSOLL, RESIDENT of the Oranges 33 years, and WNY is trying an experiment with me—and between you and me—now that I actually have the *Mayor* 15 minutes, I am experimenting with them—and it may occur to some of you that we are both experimenting with you. But you won't mind, there are so many others doing it.

First they let me talk a few weeks ago, about watches because I'm supposed to know something about them, and now I'm getting by talking about Pittsburgh and Taxes, that I'm not supposed to know anything about but may; and if I prove it, they say I can talk about any old thing as long as I don't hurt anyone's feelings and don't do anyone any good—(that has anything to sell!)

I helped organize a dozen years ago and became President of an Association now called Industrial Tax Relief, Incorporated; its membership roll reads almost like a New Jersey Trade Directory, as it comprises the cream of the Manufacturers and Merchants of the state. Mr. Alfred N. Chandler, 195 Boydon Ave., is its efficient Secretary and has brought over 1,000 business men into cooperation to relieve themselves and their customers, the consumers of the State (that includes you) of the intolerable burdens of indirect taxation. We have had a bill in the legislature for several years permitting any taxing district to exempt personal property and buildings and increasing the tax on the land. This has come to be called the Pittsburgh Plan of Taxation which caption we are sailing under just now.

WE MUST HAVE NEW TAXATION

May I ask before proceeding with the Pittsburgh Plan if you pay any taxes? No? Why, just because you don't go up to the window labeled "Tax Collector," or with your check—or mail it? Say—boy—or girl—or even baby, you are the original tax payer—you pay most all the taxes—for

this age is the paradise of indirect taxation and you are paying morning, noon and night. You pay while you sleep.

Just one illustration out of a hundred. You live in a flat and pay \$60 a month for 3 rooms. Make believe the owner paid \$100,000 for the building, gets total income from you and 19 other cliff dwellers of \$15,000 a year and pays \$5000 taxes, \$5000 other expenses and has \$5000 left for himself. Now 60 split 3 ways. Don't you pay Taxes and don't you pay 20 every month taxes \$240 a year Taxes out of your rent alone, and how much does your landlord, who does all the squealing about his taxes, pay? Not a cent! Not at least, unless he lives in one of his own flats—which of course you know he wouldn't.

DO YOU PAY HIDDEN TAXES?

And so it goes—if you live, eat, wear out clothes, go places, you're paying taxes and you are the only one who is paying. The others that appear before the boards, smite their chests and complain, only think they pay taxes—they really pass them right on to you the great American consumer, or sucker I had almost said—but didn't.

Now, have I your attention on the subject of the Pittsburgh Plan of Taxation? Well, you say, plausibly enough, what's the difference about plans of taxation as long as we got to pay them anyway, and that is a devastating question, but there is a difference. It's what the economists call the "incidence of taxation"—which is where it is first put and where it finally lands—and the Pittsburghers are trying to take a little of it off the backs of the boob consumer, and put it on the slick land speculator who is also on the consumer's back.

Now, please get this—and get it right—there's only one way to tax and if it were followed your living would cost but half what it now does because this tax—a tax on land values stays where it is put—right on the land values and is paid by the land owner and

not passed on to the consumer as any other tax is.

Maybe the radio owner is above the line of my appeal; maybe he does not need to mind about taxes costing 1/2 his income—or maybe his income is so large and so "privileged" that such is not true.

In such cases I'll be content with saying that those persons who think they are above an active interest in taxation will some day have a rude awakening.

PITTSBURGH HOLDS THIS GREAT SECRET

The more important point is to impress you that the consumers of the world pay the taxes of the world—speaking by and large—because substantially all our myriad taxes are carefully contrived to, and do accurately land on what Mr. Taft called the "ultimate consumer."

So don't exclude yourself from the much honored circle of taxpayers because you don't own real estate, your house or anything else. Follow the simple formula of watching yourself consume food, wear out shoeleather and clothes, drop nickels in slots, move around, pay rent, gas and water bills, etc., and be assured that in all these processes your money trickles down a tortuous stream until it finally reaches the mine or farm, but minus so many tax levies that no one dare call you a slacker. The nearer you come to spending all your income in living—or what you call living—and I know a lot of you come very close to spending all—the nearer you come to being a pillar on which your government rests.

POOR PAY NEARLY ALL TAXES

This cyphers out that the poorer you are, and the harder you find it to make ends meet, the more your government digs into the little you have, proportionately because the greater consumer you are proportionately to your income. Now isn't that an interesting situation. Doesn't it reverse what you thought a government was for? Well it shows what happens when people sleep. You have only a vague idea of what goes on in taxation.

That's why I'm using my time on this subject. Because it's literally the biggest subject there is. And it's so simple. And this Pittsburgh idea embodies all there is in the world to know about it. Roll it around a little in your mind; test it with reason; accept it as your building principle and you'll find it a wonderful help thru a lot of mysteries of life.

Here it is again. The Pittsburgh Plan shifts taxes from buildings to site values or land values, or if you prefer, to land. That's merely the mechanism, the reason behind it is what matters and concerns what I have said about your being actually impoverished by taxation and here it is land or land value is morally your property because you made it. Therefore it should be used for running our government instead of taxing buildings on everything and making you, the consumer, pay it in excess rents and prices.

Now isn't that simple? Why even a college professor, a lawyer, or an editor ought to see that!

TAX RELIEF GOES TO RICH FIRST

Now in spite of this proposition being so simple, so reasonable, and so just, some will say it is radical and dangerous. Such people style themselves conservatives. Well, what do these alleged conservatives offer as a solution for unemployment? Is it conservative to harbor and tolerate such a dangerous condition of social unhealth and admit they have no remedy. President Taft said "God knows." That was conservatism!

The Ministers say the poor ye have always. Filene says, Think Properly. Rotarians say, Buy Now. Macdonald (who has unemployment in England much worse than we have because their land is all fenced in) and gives out doles. Our President and Congress overrun the budget in a vast and futile question.

So I have a right to assume that none of the so-called conservatives know anything about this subject: and by the way, did you ever stop to consider what a conservative is, or should be? The word is commonly applied to the person that just stands still as distinguished from one that moves along with everything else. I ask you, if that is not an absolute inversion of meaning. To illustrate: if the conservative doesn't know what's wrong, or what to do, and the 'patient' gets worse and dies, will that be conserving?

Suppose it's the Communists who do the diagnosing and doctoring. They believe there should be no such thing as private property, that changes can only be wrought by revolution; or suppose the milder socialists take the helm, or if you please, the Fascists: in any case the old Harry will be to pay and it will be the fault of pseudo-conservatism. Putting it another way, is it conservative to hold fast to everything right or wrong, or see and accept a reasonable reform to conserve what is rightfully private property?

PITTSBURGH IS GETTING AWAY WITH IT

Edw. A. Filene, Boston Dept. Store man and reputed philanthropist, states that Unemployment is caused by bad thinking particularly on the part of businessmen. Well, this is another hot one. It's what I call Simon Pure Christian Science—a very dangerous variety. Let me say that 3/4 of this disease is neurotic, nervous using many foolish signs and science will cure them. Answering a fool according to his folly—or as the libretto says 'making the punishing fit the crime.' So Science has been a great boon to humanity perhaps the greatest of all the miracle things were including the 'bone of St. Anne'—but pure Science asserts there is no disease or death or broken bones—that all is error. I hope you see the analogy and agree with me something more than pure Science is needed for our sick baby of unemployment—or it may get worse and

develop incurable and dangerous stages—in fact a revolution is not remote from breadlines and soup kitchens.

So let us cut out toying with such theories as bad thinking, over production, under consumption, dislocation and recommending sermons on psychology, labor exchanges, staggered employment, equalized production and use our own common sense.

The economic philosophy involved in land value taxation popularly known as the single tax has the sanction of statesmen and economists back to the Physiocrats of France before the revolution, John Stuart Mill, Adam Smith, Gladstone, Patrick Edward Dove and our own Henry George. This philosophy is simple and direct in its application to unemployment—it rests on the proposition that the earth was created for the use of all mankind; that every child born inherits an interest in the earth; that land values are the sole creation of all the people; that people socially also create services (government) that make taxation necessary; that the only just form of taxation therefore is that on land values; and that this tax will when fully applied destroy land speculation, and with it unemployment, and poverty and produce a wholesome balanced condition in life that will rectify substantially all the complexes that beset our present so-called civilization.

THE ONLY TAX THAT STAYS PUT

Merle Thorpe, Editor of Nation's Business, wonderful organ of the U. S. Chamber of Commerce, is a real radio talker—and now under the caption "How's Business?" he boxes the compass around all our business problems in a masterly and human way and rarely leaves an opening for criticism, or misses a trick, but here's one: he comes to taxation and tells of the demand for shifting taxes and says "It would be better to my way of thinking if we could consider reducing all taxes."

Here is the mouthpiece of the great organization of the vast business interests of the country "nuffing" the biggest business question there is; namely the taxation of business and industry. Is it possible that he does not know that the bulk of taxes rest on business and because monopoly is largely exempted.

Now what makes unemployment? Is it not certain that the cause must be in one or both of the other two factors in production—the land or capital.

This being the essence of this question, we will repeat that all production of every kind, the making of everything, involves the process of applying labor to land and especially in our modern time capital is very essential to this process.

THE ONLY SCIENTIFIC FORMULA

If there is an unrestricted supply of each of these 3 elements, production will be limited only by the demand for the output. But if there is any interference in the free flow of either, trouble will necessarily ensue. This is just plain common sense, is it (See Page Two)

MONEY AND LAND JOINED FOR DOUBLE EFFECTIVENESS

LAND UNDER THE PITTSBURGH PLAN OF TAXES IS RAPIDLY DOUBLING ITS LAND VALUE

There are two kinds of Democracy: Political and Economic.

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50 years an industrialist and student of Scientific Economics. Co-ordinator, in 1892, of the 'watch that made the dollar famous', 500 million sold. Record broadcaster and lecturer, Economics and Taxation, nearly every State. President National Tax Relief Association. Ed. 'democracy', 1165 Broadway, New York City.

not? No professor or financier necessary to prove it!

Well then why is there unemployment—which is business depression? Where is the interference? Let us check and double check: We must first check off labor—no doubt about plenty of that; then how about capital remembering that this includes not only cash but every form of credit, tools, machinery, buildings, we know there is no shortage of capital, and that the unemployment there is as great as in labor: this leaves only land to examine.

I don't want to discredit everyone in the world in order to have you listen to me, but I must say that in this potpourri of conjecture there's every evidence of excessive moisture. Is it not certain that so far anyone reports a frightful and devastating condition wherein probably between 50 and 100 million workers and their dependents in the world are suffering for necessities of life has a specific, known cause which should be disclosed beyond any doubt by reference to what is known as political economy. Well who of all those I have referred to has even pretended to make such reference and face the real facts—all are guessing and speculating in superficial causes and searching for quick remedies.

Land values are not private property; first because land itself was obviously created for the use of all the people of the earth and next because the value land has acquired came only from the presence of the population.

Property rights are sound and should be preserved at all cost and they will be if a distinction is once clearly made and established between private and public property—otherwise all property may be declared public according to the socialist-communist formula.

THIS TAX DOESN'T STEAL AT NIGHT

Now here we have an abundance of the factors of capital and labor since we know this country is rich in money and machinery of production and we know there is a surplus of something like 5,000,000 labor units. Men and women out of work. So by that old reliable process of exclusion we have proven the shortage is

in that basic and obvious essential of land. Everything up to now is as clear as crystal, is it not?

Now I can see a little trouble ahead as I hear a faint voice remarking—"Oh but Mr. Ingersoll, I've seen lots of unemployed land all around, so it can't be that."

It is certainly true, and tragically true, that immense bodies of valuable and urgently needed land are idle but the inference that therefore the shortage cannot be in land is where my momentary trouble exists—in view of the fact that my formulas are to be simple and obvious and self-demonstrating.

You have perhaps heard the phrase "idle lands make idle hands"—don't forget it. It is a truism and a vital one and it involves the answer to the unemployment question.

Sure there's plenty of land and yet none that unemployed hands can go to and work on without paying tribute to all owners, and big tribute—not in form of a nominal rental but in form of heavy price to secure a deed and possession.

You probably never stopped to ask yourself why land in and around cities is unused—often alongside of skyscrapers, on business streets and where thousands are living in homes; you know it cannot be because it is not needed or wanted: so you must answer that it's because it is more profitable to hold it idle for increase in value than to put it to use.

If it were not, city lots would be built on, farm land would be cultivated and labor would be put at work. Isolate a case and examine it: a man wants a house for his family; he happens to be a carpenter. He has enough saved to finance the building, but finds he must pay \$1000 for a suitable lot and for this reason must abandon building, thus depriving himself and other artisans of employment and his family a home.

NOT A CLASS FAVOR TAX

This situation is everywhere present duplicated millions of times in varying forms; it applies equally to concerns desiring to build stores, factories, hotels or to engage in any commercial activity; they are all and always faced with the necessity of sinking a considerable proportion of their investment in land: and it is absolutely sunk as it is payment without consideration or return—payment for a privilege that should be as free as the air.

Now is it not clear that land is the missing or handicapped factor in production that stores it up and thereby causes unemployment? And please get this: it makes not the slightest difference about the vocation or activity, farming, mining, building, manufacturing or merchandising, whether working desirably on land or up in the air—everything rests on land and involves products of land and therefore work of every kind is stopped or slowed down by the tribute land exacts for its use.

Why is it worse just now? Land values always tend to pyramid and their bearing down on industry and labor finally becomes insupportable and something must give way and some cause such as inflation of stocks, pessimism, bank failures, political upheaval, revolution starts the break and recovery does not come.

(The End)

ANOTHER GOOD MONEYIST

THIS IS JNO. L. TALBOTT, Kirkwood, Mo., who sends me 3 good original clippings and writes me 3 big pages. First, what is MONEYISM? It has more adherents than any other 'reform' and most of them I think are close to communists or fellow-travellers. And Talbott is a good specimen.

Like most others, he has a glimpse of realities of reform: he quotes Henry George on money and loses the force of his prime doctrine because it is devoted to Land and Taxation. Money, he repeats, will cure itself when the major problems are ended.

So now we answer, what is moneyism? It would be correction of many obvious faults if it could 'stay put', but it runs rapidly to REPUDIATION and so becomes COMMUNISM as it is mostly all CAPITALS' money they would CONFISCATE, by just turning a printing press.

Talbott makes a nice bundle of all the debts of our universe, even to our last \$300 billion of war (more than all the property in the U. S. he says) and BANG! all is disposed of as by an atom operation. Isn't this heavy thinking—or heavy results from light thinking?

WHAT A MONEYIST SHOULD KNOW

TALBOTT IS CAPABLE—he's 83!—of being a moneyist, first class. He should first ask about the Origin of Money. Now no one cares where it comes from. So they (untruthfully) say the bankers get it for nothing. Money is simple enough to have 4 essentials: Redeemability, Standard of Value, Medium of Exchange, and a Basis of Issue.

Not a dollar should be issued without security: not a short period passed without REDEMPTION. This would reduce risk to one of banking EXCEPT for cost of all unpaid for public service or government, which create land values and which in turn should be paid from taxes thereon: and money redeemed when taxes are due.

There may be lots of things wrong with money of which Mr. Talbott tells us: but when he yields to the impulse of the average moneyist and calls them basic causes he studied 50 years ago, he still has to learn.

But opportunity in money-change now presented is its adopting LAND as the sole standard of money-issue, making it the vehicle for collection of all land-rent which will displace all taxes on labor-products which at present double their cost and halve buying power of every consumer and business volume, with jobs and wages.

JOKERS OUR ONLY HOPE

FRED OTHMAN, PRACTICAL joker for Scripps, I sometimes resent in these piping times: not only his lighter-than-air words, but even his jarring jolly face. But closer observation discloses that behind both face and words are earnestness and purpose.

For instance, starting with the words NO SAMPLES—I! He takes us thru the red brick Bure of Printing, the greenback dept, and makes us almost smell the sales of \$10,000 bills and carloads of ordinary bucks. But he still doesn't tell us JUST how those billions costing near zero get into circulation.

The profit system is outworn, say the socialists, and the answer of business is weak: and because the profits of monopoly are badly mixed with those of business.

THE KEYNOTE TO MONEY

THE HEADLINES INDICATE great unrest all over the world, about gold, money and exchange. In this country, always in the offing, there is much the same unrest, and now especially because of the two and one-half billion bonus expenditure. This has been the danger spot of inflation talk, with greenbackers and silver senators standing by, with fuel for the inflation flames. I have never been able to understand how intelligent people, with business experience and some education, in finance, and possibly a little in real economics, could be so ignorant and illogical as they are, about money.

The idea that a nation's money requires some form of security, seems little less than insane. That metal is a good security, seems not much savor; and this necessarily favors of special interest graft, such as gold and silver mines. Then, the idea that the kind of money could possibly make—or unmake—inflation, completes this trinity of money jokes. The big underlying fact about money, however, is that, as a representative of debt, it, or bonds in any form, would not exist if the government collected and used, the values it creates, in franchises, natural resources, and economic rents. The government would then be so rich, there would never be occasion to borrow, or issue money, except as a mere medium of exchange.

HONEST, BUT—

My FRIEND, JAMES A. BELL, of Elkhart, compliments me with a handsome volume, 'Honest Money Year Book 1940,' which I have promised to review. Meantime, I am telling him what I know about money, as a prelude: (1) it must be of paper; (2) it must be issued only for value received; (3) it must be redeemed in the same value. (4) There need be no restriction of volume of money, for production, for construction, or for self liquidating public service. (5) The only 'money problem' is as to the redemption of that which is required for public services—government—that does not come back; non-liquidating expense of government—unbalanced budgets in fact—now financed by general taxation. This expenditure produces its face in land values, and would be redeemed on payment of the land value tax.

This should answer some of the questions raised by the authors in the preface.

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ANOTHER CASE WITH TWO sides to worry is:—George wrote 'Progress and Poverty' and it delivered to the world not only the CAUSE of Poverty but what was of far greater service to 2 1/4 billion people, THE CURE for this and other fearful evils.

The crucial point of this dual service to humanity was at Chapter Two comprising only 5 pages of which number 408 was the real crux. Here was not only the exact principle involved in this economic crime of cause but the STRATEGY strongly involved in the cure.

This cure was to end a tax system which exempted monopoly and loaded all the tax on property making it cost double. In fact while making free everyone's land for use it laid all the burden on land monopolized. It was eloquently called THE SINGLE TAX.

NOW This Book, this chapter, this PAGE bears the stamp 'Copyright by Henry George'. No one grudges him all the pittance this income gave him nor does our philosophy include this as mo-

MONEY WITHOUT INTEREST

COL. JACOB S. COXEY OF Massillon, Ohio, once marched his regiment from there to Washington, D. C., to make impressive a demand on President Hoover in behalf of his, or some other veterans. But they were (rather good-naturedly) taken over by the police, housed, shown the town and shown out with a "no sale" banner.

The Col. is now 86 and still trying to raid our capital—this time to get us into the "brick-business" using a new process not requiring any straw. Or to be more exact, he has an issue of \$100,000,000 of INTERESTLESS BONDS, which since they cost "US" absolutely nothing but the paper and ink, he would go N.D. one better and present free to every one of our 67 New World neighbors.

THE PEACE FINANCIAL FLOOD

THERE'S A BILLION IN 'NEW money' aching to break into new post-war activity. And if it were not for the 'old gang' of 4 or 5 million 'job-holders' it would not take long to insure the 60,000,000 jobs scheduled.

Leslie Gould of the Journal-American lists 100 or so well-known concerns to be 'refinanced'—the biggest sale of credit since 1920; bonds, preferred and common stock total over the billion.

The big query is what will this billion cost and what will it be worth to the borrowers and the lenders. The rates look low; but in such violence that billions are shifted and destroyed overnight. If we get more freedom, all will be well.

"MONEY". A MEETING-PLACE FOR CRACKPOTS

I HAVE NO DESIRE TO BE little these or any other of the score of political issues recently mixed in numerous money programs. What I do distinctly desire is to: (1) Concentrate all possible driving force on the major issue, which is to kill land monopoly by taxing it. (2) Use the earth for all social-money-needs, since the earth is the only thing whose value grows with the social expenditures. (3) Distinguish (a) between private and public need for money and have each pay for its own; (b) between money issued against tangible security and against unbalanced public budgets, the main measure of land value.

No. 1 above combines in rare proportions the two essentials of any national civic enterprise, Effective Politics and Sound Economics. "MONEY" and its many associated issues has never integrated to successful politics. The reason is that it lacks the direction of a basic issue.

Attaching to money the fundamental purpose of the land question would tend to clear the decks of many surface issues which have kept money and finance from taking on the dignity they should have.

Shall the 'profit system' take it on the chin? or clean that system up by socializing monopoly profits to displace all present destructive taxes?

Conservation means conserving—what? Private monopoly? No, the 50% interest business and its customers have, in the combined wealth and social values.

being. BUT the exact wording is being REVERSED and the page and chapter quoted in proving this lie. It demands BROADCASTING A VITAL PAGE protected against quotation by a criminal law!!

TIME TO RISE IN DEFENSE OF OUR CHERISHED ECONOMIC THEORIES

LEADING REBELS AND HERETICS ARE NOW OCCUPYING OUR STRONGHOLDS, APPEASING COMMUNISM

Seems to be Our House-Cleaning Time

IN AN ATMOSPHERE OF WEAKENED ECONOMIC loyalty the idea has been peddled that teaching economics by both our regular and non-conforming instructors—and others, could be made easier or more expeditious by changes in doctrine.

I hardly need to remind the reader that 'democracy's' faith is pinned firmly to Henry George's simple and sensible belief that the earth should not be monopolized by ownership of its *intensive values* or RENT. Or that there should be ANY taxation of ANYTHING but those values.

This spare page is devoted to taking up some of the Scare-Crow Economics professed by a few choice Cultists and Heretics. We make no high claims for the enlightenment of this discussion. Most we hope for is to close some rat-holes now afflicting a movement of highest purpose.

THIS IS WHAT MR. L. D. B. SAID

Editor Ingersoll has taken up with the idea so persistently advocated by J. Rupert Mason, who is fond of writing to the papers saying he knows of no way of collecting the rent other than by taxation.

To the producer belongs the product.

Rent isn't precipitated out of the air.

It has to be produced.

And it is well known that the greater the business activity in an area, the higher the rent.

If the rent collected by title-holders is the product of, and belongs to the Public, and these collectors do not turn it over to the public treasury, that rent is owing

from these collectors to the public treasury.

And, in that case, the way to collect the rent is to claim it as a debt due the public treasury—even if Ingersoll and Mason do not know this.

Once more, The Forum is the only publication to stand for scientific accuracy!

But that is not all! This idea of Ingersoll and Mason that taxation is the only way we have of getting our rent is even more absurd than appears above; for taxes are levied only on what men own—never on what they do not own!

The very act of levying a tax on rent in the possession of a title-holder is an official acknowledgement that, in the judgment of the taxing authority, the taxee owns the thing taxed.

J.R.M. INTERPRETATION L.D.B. CASE

(1) READS AS IF PRESENT power of 'estate' could, if they would, give us S.T. when none other could.

(2) 'Forum', June 27, compels belief that if State offered to do this, by removal of all taxes (mentioned) to land values, L.D.B. would oppose it, thereby abandoning land reform and becoming a monopolist.

(3) LDB accuses us (JRM & CEI) 'whether knowingly or not, in advocating what JRM proposes, S.T. AS CONFISCATION—consistent with monopoly.

(4) JRM accuses him of offering no proof of this and cites laws for 150 years supporting his claim.

(5) By his words he advocates the present system of compelling property, wealth and wages to pay taxes and to exempt from such payment the socially created rent or earnings of the land which his (LDB's) words say he wishes to collect into the public treasury.

(6) Negatively, the 'Forum' fails utterly to show any other means to accomplish what it says it desires to do, confirming falsity of 'Forum' and LDB claims.

JOHN S. CODMAN OF BOSTON, ECONOMIST, CULTIST, HERETIC?

AS ECONOMIST, MR. CODMAN has headed the HGSSS—the Henry George School, Boston Extension, and helped that branch to explain what Mr. George meant in saying (if he said it) 'we must make land common property'.

With this start, he took on L.D. Beckwith and tried to get his whole HGSSS outfit to take him on (after he had for years rejected H.G. Economics).

His next exploit was great sympathy with Geo. Rusby who has been helped by this school and the powerful Schalkenbach Fdn. to publish Rusby-Bowen's 'Economics Simplified' in 10,000 editions to displace as teaching text in perhaps 1000 schools and classes, and in which text nearly 100 errors and fallacies are reported, of which a dozen turn George into socialism in advocating Ending Private Ownership of Land under as many different captions.

BRINGING ECONOMICS IN LINE

MR. MASON WHO, AS A NON-lawyer, and man of science, takes such care of economic legal affairs as they have never had before, and will take care of the Beckwith-Codman economics. This, however, leaves to me some points of obvious simplicity for brief comment:—

JSC quotes Webster as saying taxation is a burden, pecuniary and FORCED. Leave that to any of you—if you have to pay tax or rent to the same amount do you care which it is? JSC gratuitously claims this applies to one and not the other. I defy him to prove or give any evidence of it. He tries this as in another case.

We point to the fact that we demand the correct course of taxes (rent) for revenue, to justify our claim that we cannot collect rents without taxation. In JSC's anxiety to serve LDB he works both sides of the question—this is no tax and tax must be abolished.

Also that it's only a bill!—a new light on tax abolition. And in his last paragraph he restates the fallacy and fantasy that there is any difference of any practical kind between RENT and 100% TAX ON RENT. (This I have told LDB many times in 80 running years of argument.)

WHERE THIS ARGUMENT STARTED

ONE OF THESE FRIENDS, 20 years ago, declared himself against George and against taxation and proposing to collect rent in place thereof. I, upholding George, that there had never been known or suggested any other way of collecting rent than by taxation, warned all my Economist-Friends of this NO TAX IDIOSYNCRACY.

One of them, however, some years since upheld the 'No-Tax' scheme. Persisting in speaking for it and quoting another friend in what he foolishly thought was support for his view, provoked him to a very complete statement upholding George as here detailed and condemning all attempts to discount Taxation as a rent collector.

As this particular case and its several involvements of Cultism, Fallacy and Heresy have at last come into direct and most dangerous collision with Fundamental Economic Science, there is no way of saving faces by minimizing the force of these clashes, as what MIGHT be ordinary digressions among the friends of any cause.

The 'NO TAXERS' are being taught by both Cultists, boldly using George's name and fame, but also by the large number of organized Henry George Schools on which millions have been spent, teaching economics, which are not subject to legitimate challenge!—So 'democracy' has printed the vital portion of Mr. J. Rupert Mason's statement and now gives the entire statement in No. 95.

MIX-UPS OF POLITICAL ECONOMISTS

LATELY I DISCOVERED some of my oldest friends in this line have been straying from the straight and narrow way—specifically in letting down the Single Tax and Henry George; and what is worse, the seeming favor for Karl Marx, or what looks like it.

The particular person I happened first to accuse made a very lame defense and included in which were two other bad breaks. He tried to wiggle out of it and he tried to rope in another friend to referee his false position. But that answer was very detailed and let him completely down. But another congenial spirit

DEBATING WITH A LINO TYPE

THAT IS MY HANDICAP with L. D. Beckwith; and he shoots direct from brain to keys. He prints a letter from John S. Codman which will surprise economists more than it did me, as I had been watching his appeasement to L.D.B. for many years.

It is typical for him to change his economics based on a dictionary as he now does. And he does not help L.D.B. to prove that the rendering of a bill makes a tax not a tax or any more of a burden to the payee than RENT. Codman has been many years merely saying things which sound so nice and have no substance.

L.D.B.'s method of getting fallacies accepted must be the same as Hitler's, tho his object is purer—he just starts saying 'land has no value' and you will find thereupon it is much easier to believe an assortment of cultisms L.D.B. is always hugging around. For example, 3 or 4 he presents for my review periodically:—

A FEW SPECIAL CULT-HERESIES

LAND IS NOT DENIED—BUT its value is when it supports all of 2 1/2 billion people. When a little shift like this is needed, do it with the dictionary, as J.S.C. does. Taxes are not taxes: they are a bill, so let us use taxes—not use taxing-power to collect rent.

Teach rent is wages and interest' says L.D.B. That is easy, but first the memoristic process must be prescribed. Friendship is put to test with hundreds or thousands of economists, whose strain is not equal to its task.

I have accused L.D.B. with shifting his charge from the land-MONOPOLIST of whom a paltry few now monopolize the earth, to 'title-holders' who actually or potentially comprise the entire human race. This charge is based on the fact that rent absorbed all that normal people call 'land value'. The normal remedy being to use the monopoly rent to displace monopoly.

L.D.B. denies this remedy by declaring there is no monopoly rent. The point is:—there 'being no adjectives in RENT' leaves only economic rent to use as a cause of poverty.

L.D.B. repeats the fact that 'no one disputes him': was intended as a harmless comment. He makes hundreds of interesting and truthful statements for which I honor him. I do not see that L.D.B. proves that LAW is limited to 2 categories.

My position as to rent paid for service VS land is that they are interchangeable and it makes no difference in the TAX. You haven't noticed my charge that you are at the level you would be if you tried to buy the wheels and case of a watch. I'd rather have LAND.

Look up the cudgels against myself and friend and we shall doubtless have some radical (going-to-the-root) digging to do. We are committed to absolutely the Civic Principles of Henry George and as named by him THE SINGLE TAX. But also to as little injury of reputations as possible.

Now we face in a weekly publication the charge of CONFISCATION based on the legal citation required to set up the operation of collecting all land values into the public treasury and thereby requiring the abandonment of the present system of producing revenues from property, wealth, wages and incomes. And permitting unearned increment to go to basic monopoly.

SETTLING LONG-AGO-ENDED PROBLEMS

IN THE NAIVE DISCUSSION as to whether there is any other, or any better, way of collecting land rents than VIA taxation called the Single Tax of Henry George, George Rusby suggests to Ralph Borsodi for discussion that of rents or land values a portion belongs to various divisions of government, or KINDS of values of land; and should be so directed, and asks, HOW?

If this is not one of the first and simplest tenets of economics which has been made clear over and over in the fundamental works of George, I am badly mistaken. Evidently in asking such questions heads of the largest economic schools readily fall into errors due to weakness on the general subject Economic Principles.

'Making bricks without straw' is another way of describing their plight. They have been for some years struggling at the problem of collecting rents by some esoteric process which suits their imagination better than the ill-smelling, but efficient, taxing power.

So it's easy for them to save the bother of appraisal or assessment which automatically and in advance COMPEL the EXACT division of the rent proceeds into the values as they exist: and as required to service the land no matter where located, what used for or its value.

Mr. J. Rupert Mason (1920 Lake, San Francisco) has taken on the teaching of the obvious to many hundred professional teachers of scientific economics. This he is doing by taking them thru the rudiments of Nature's Law and Constitutional Emancipation?

A few words tell us what the law is. This we credit to a long line of Economists going back to the Physiocrats of France and down to Henry George. It is abating monopoly and poverty. Finally, how shall we make sure the law-works in actual practice. This may only be by taking all TAXES OFF PROPERTY and putting them all on LAND MONOPOLY.

OUR CORRESPONDENCE COURSES

HERE IS A 25 LINE LETTER from R. Borsodi to G. Rusby telling his worries about rent collected belonging to various kind of land and the various authorities of taxation. But they deplore the fact that they do not hear it discussed. The difficulty he says is 'implementing abstract principles'. They agree that single tax presents in all its phases subjects that should have much discussion by our best economists.

It seems to me that Messrs. Borsodi and Rusby are bringing before the house the wrong question. Does not the Single Tax automatically answer the placement of all funds to be disbursed which have been raised by this authority, from any and all sources? Does it not sum up in the words 'according to value'?

Let me express the hope that we may now fix our attention on the other phenomena you point to—why our leaders are so slow to put the S.T. to demonstration: or as we might say, teach our doctrine by PRECEPT.

Why, I've heard it said that it might be thought that we were guarding ourselves against the suspicion that ours was more than theory, and never intended for practical application. Have you ever heard of any of these 'leaders' favoring any of many trial-movements of enclaves or single tax?

You didn't know that Tom Jefferson organized the Republican as well as the Democratic party? and that he was not satisfied with either.

IN THE SHADOWS OF SCIENCE AND ECONOMICS

TO THE U. N. COMMISSION ON HUMAN RIGHTS

MAY I ADD A FEW LINES to what I wrote in a recent "Interpretation" relating to an equally important dual phase of this subject?

Previously I referred to the collectivist principle of claiming all wealth as social property or value when it had been produced solely by labor and capital, without participation by society.

I wish now to be equally explicit in pointing to a corresponding individualist error of the same kind and of marvelously close extent. The assumption of what is known as "rugged" individualism is that society has no claim on wealth. That is, in fact, the individualistic offsetting interpretation to the socialistic equally rugged ISM.

Both these cases—the social and individual—demand the same close scrutiny, definition and condemnation. They both are divided and fairly equally, in their economic interests and both deny the other's RIGHT, and claim those rights as wholly and exclusively their own?

GERALD K. SMITH, MONEYIST.
FOR PRESIDENT

GERALD HAS MADE THE front-page back of NYC papers, indicating that the editors and reporters are receptive. His story is fairly alive with experience and prospect. His biggest scrap while an America-First-IST was with the Frisco Commies: but he said his say.

And at the recent Detroit convention of MONEYISTS he underwent complete conversion to the philosophy that in scarcity or something about money and finance lies humanity's whole trouble. However this dope contains ingredients of Huey Long, Coughlin, Townsend and Reynolds ISMS: and hence Marxism.

One sideline at the meeting made a very disturbing comment had Gerald noticed it:—that most of these ISMS were very expensive in the taxes which put money in the shade, as a cause of poverty.

Gerald has my benediction as have all the Moneyists if they can upset either the New Deal or GOP appeacarts. But I would like to give some coherence to their program by making land value collection only, the basis OF ALL MONEY ISSUED.

'THE INDIVIDUALIST'.
DANVILLE, VA.

GUY C. STEPHENS, CALLING himself 'Ye Printer', is a bold and forceful writer posing as a representative of individualist democracy which would equal free industrial commerce but whose writing proves he understands very little of the economic principles required for such INDIVIDUALISM.

As an example of this economic shortage he devotes a page of his small paper mainly to sustaining his headline that 'The Marshall Plan is a new OPA to starve Americans', and without showing any understanding of this plan, as demanding possession of resources and free-trading in them—a perfect statement of true individualism.

If our friend had, instead of this wild attack on the Marshall Plan, shown up the subtle monopolistic and communistic defense of the isolationist system falsely called protection, he might have headed off the more serious Marshall-Plan block from Resource-Land Monopolists.

INDIVIDUALISM needs advocates and defenders more than any other system that is struggling for existence, but obviously it can only be by those prepared to back it with an equipment of clear-cut understanding of the scientific principles underlying it.

WHOSE TAX TO CUT?

I WOULD LIKE TO MAKE sure that President Truman has full credit for the First Consumer's Tax-Cut in the World's History. The popular thing to do is to cut all the income, excess-profit and other rich men's taxes and forget that poor men pay taxes, when they pay most of them.

One of my newspapers with a couple of smart columnists and an editor are very busy burying the President for this offense. They can forgive everything else. The certainty and uniformity are most impressive. Showing how wrong great Editors are.

What they should know which Harry may never, is that the taxes he proposes to end do double damage. All the high bracket taxes are PAID and instantly included in the inflated prices the consumer is paying. This of course is supposed to be smart politics and finance.

But these CONSUMER TAXES are KILLERS because they kill buying power by doubling prices. So after they have accomplished that they proceed to kill volume of industry and employment of labor. So writers fix your attention on killing Product-Taxes FIRST.

'THE DANGER OF WALLACE'-
SOKOLSKY

WITH HIS USUAL PROFUNDITY George exhibits Henry's strengths and weaknesses with fair accuracy. But he could have saved many words and not been less informative. And I will try and show how—and not as either a casual Wallace-student or other neophyte.

In the campaign of '44 I tried to play him and Willkie against each other for respective programs of sound economics, but failed in much the same way and extent. And now Wallace lives to repeat his performance unchanged and unenlightened.

And Sokolsky does not tell us clearly the approximate reason why he can make such an attempt repeatedly. It is because (a) the Marx Doctrine is available to him (b) because there are 50,000,000 voters to whom it is saleable and (c) because he is a good salesman.

The Marx Doctrine is a quiet affair in appearance but come to examine and apply it you find it distributes in a most devastating way over the whole field of human activity.

REAL DOMESTIC TROUBLES

THE KIND THAT INVOLVE the hearthstone and birthrate. Experts are always there with a new device as they are with political panaceas for our national civic problems. The last approach was to slow up divorce by taking the profit out of it, in prohibiting alimony.

Now the ambidextrous Reader's Digest offers the good old idea of plenty of time and expert counsel before marriage, also a surface offering with no attempt at causes. Why no one disturbs cause, is the puzzle—not the cause itself.

Is it not OBVIOUS that facilities for successful domesticity are too expensive for general ownership? In plain words: A HOME—its COST and its MAINTENANCE. Home ownership is as steadily dwindling as divorces are booming.

Prohibitive cost of homes is parallel to that of everything needed to operate them. This is the answer of INFLATION. The answer of cause of that is taxes put on all products of industry (labor and capital) which double costs and halve buying capacity and employment of both labor and capital.

THE EAGLE-ROCK VIEW

From Eagle Rock, West Orange, New Jersey, only 450 feet above the Statue of Liberty in New York Bay, one sees a panorama unequalled for promise and significance. In clear weather, one can see through the Narrows the red Light-Ship off Sandy Hook. There once could be seen the "Great Eastern" after laying the first Atlantic Cable.

Right below you is Newark Bay, a new location for Air Plane Bases, with daily sailing reaching Europe with mail daily. All this in plain sight.

The focus of the picture is New York City and Brooklyn, with the homes, offices and work shops of six million people, by far the largest collection of humanity in the world.

What this means to future World history, with the future development of the human race, can only be imagined. Its impetus derives from George Washington, and the Constitution of the United States.

Let every citizen of this favored location feel pride in his auspices, and a constant duty to deserve it.

JOSEPH DREXEL HOLMES
Weston Westport, Conn.

LOS ANGELES A SUBURB
OF M. Y. C.

WE USED TO THINK IT wonderful to get the N. Y. paper the same morning in nearby N. J. But now the N. Y. Times is in time for breakfast in L. A. That's how our one-world has shrunk in everything but land values.

They call this freight and new service but 12:30 to 7:30 a. m., 7 hrs., 3000 miles, nearly 400 MPH is pretty fast for us. However, the railroads and boats are taking notice and worrying about another KO: and being told that it will be some time before planes can compete in rates.

Reformers, Liberals, and Progressives may be the most dangerous public enemies because they are sincere, humane, and spiritual: and economically illiterate.

Tribute to Pittsburgh's Great Mayor

TO MRS. WILLIAM H. McNAIR, Bakenoll Bldg. Pittsburgh, Pa. Please accept profoundest sympathy for yourself and daughter in the loss of your husband. And extend this sympathy to the many friends and co-workers in the life work of Mayor Bill for moral uplift and economic achievement.

CHARLES H. INGERSOLL

SOME HARD NUTS IN PHISIOCRACY

By DR. F. M. PADELFORED

"I HARDLY KNOW WHAT TO say in response to your letter of October 6th. There are, in Masonry, I understand, 33 degrees. That which is taught in higher circles is not discussed in the Outer Court. We want the support of the rank and file. This group is not particularly interested in the finer details of our philosophy. The debates which we may have between ourselves should be, I think, in private. The "hair-splitting" that has gone on during the years has not helped us. Nor will it. There are a goodly number of fundamental truths about which we are all agreed. If we would confine ourselves to these I think we would command respect faster than we have done. Why it is that a few well-intentioned men should try, as they do, to discredit Henry George seems strange.

WE HAVE OUR HERETICS

Beckwith, Jorgensen, and Wallis are surely offenders. What they think as cold logic will help us little. Here we are striving to do what must be done if the Republic is to be saved and, at the same time, arguing among ourselves like the fifty or more sects in the Protestant Church. Personally I would preach the Gospel as I saw it and ignore what seems to be the errors of some in our ranks. With the exception of that poetic chap who evidently wants to set up a new Fendalism we are all agreed that Economic Rent is socially created and belongs to the social organism. Unless the property rights of society in Rent are exercised private property rights must be violated. AND WE APPROACH THE ABYSS. I am not optimistic.

The Government must find its sole support in Rent. Land monopoly must be destroyed. When we have done the first thing we shall also have accomplished the second.

CAN L. V. TAXES BE SHIFTED?

A word about shifting a tax on Rent. Can they be shifted? It would appear that the old-time economists held to the view that landlords demanded in Rent "all that the traffic would bear." Such being the case obviously any increase in taxes levied on land, or Rent, or whatever, the landlord would have to pay. If tenants already were paying all that they could they would seem clear that they could not pay more. When taxes are shifted from products to land the result is that prices of products drop. This is practically an increase in wages. Assuming that money wages remain as before, it follows that tenants can pay more rent. I see no reason why the landlord who is now a land monopolist, cannot increase his demands. The traffic will bear more. If it so happens that the law is so written that the owner of land is compelled to turn over to the government all that he receives from this source he will have no incentive to increase his demands. But to enforce such a statute would be some task. The fact is, as I understand it, that we propose to tax Rent for governmental support. I think that if land is monopolized the landlord will do much as he pleases: He will collect from tenants all that such

tenants are able to pay. That practically is what he does now.

The demands of government—legitimate demands—should equal the true rent. Anything in excess of this, whether we call it "rack rent, speculative rent, or monopoly rent" matters not. So long as we make clear to the reader what we mean to say that is enough. To sum it all up: the land monopolist is master and will remain such as long as he has legal power to charge for the use of land "all that the traffic will bear." Free men must have free land. Control of land gives control of men.

I am not inclined to argue in support of this view. Those who disagree may continue to disagree. Let's untax products. Let's levy instead a tax on land, this in accord with its use value. Most of us are in agreement so far as this, I think. The rest is froth on the beer. What I create is mine; what you create is yours. WHAT WE CREATE IS OURS!

WHAT DEFENSE SHALL WE DEFEND

'democracy' HAS THE FULL and adequate answer to this vital question. It is not in the 'shape' I wish it was for best presentation. But I am not going to hold it a minute for that reason. I wish to give full credit to the man who first gave the idea to the public and I think he is Governor Martin of Pennsylvania.

It may be called THE VOLUNTEER MILITARY SYSTEM which would be a revival as we had before used it under the name NATIONAL GUARD, and that is only a State Organization.

It may be still fully organized. I remember these initials as decorating our armories:—N.G.S.M.Y. being the 'National Guard of the State of N.Y.'

If my recollection is verified, we can proceed from here to advocate simply The Volunteer System of National Defense in the form of a State Organization under the name of The National Guard and with no Federalization or National affiliations.

The idea will be to hold to the simplest form of defense and the minimum participation in any form of politics. And to hold, in the appeal for volunteers, to the form of driving aggressors out of our territory by direct and effective force, organized in our own communities.

PEGLER TO PUNISH PRO-SOVIET TRAITORS

IT SEEMS TO ME THERE are several objections to this as an adventure in statesmanship. Some of those objections Pegler gives. My point is not any sympathy with 'pro-Soviet' but rather lack of definition of it. And in fact also of our own democracy or 'way of life'.

Whether because of a mongrel New Deal or some 25 million potential fellow-travelers and as many more none too independent GOP, we have hardly known where we stood politically for some 15 years. Who is working on this job?

Prosecution needs a well matured code with all the elements completely considered. There are two extremes to avoid—a weak case making us ridiculous and claims that are not sustained—when our own guilt equals theirs. We must not forget that we are not free from communist taint and suspicion.

Communism and several relatives are wrong and should be ended but it can't be done by any kind of punishment. It is not much of an offense against us. You know that by these millions who have been and probably are fellow-travelers. This fight would be about the same relatively as we are supposed to have with USSR with vague names.

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