

The Square Deal

TORONTO, CANADA.

September-October, 1939.

CONTENTS

Page

Impressions of the Henry George Centenary	1
<i>franchise band</i> <i>in warehouse</i> → The Vaunted "English" System	6
War Time Financing -- Editorial	7
The Russians in Poland -- Editorial	8
Centenary Observances in Canada	9
School of Economic Science Chartered	11
Montreal Rents a Headquarters	11
Study Groups Open in Montreal	11
News of Hamilton Activities	12
Group to Organize at St. Catharines	12
Study Groups Form in Toronto	12
Montreal Tax System Criticized	13
<i>Get Max Brazer's</i> <i>speech</i> → Australian Landlords Vote for Total Exemption of Buildings	13
Timber Limit Rentals in British Columbia	14
Henry Ford would tax Idle Land	14

--ooOoo--

THE SQUARE DEAL

Rooms 13-14, 991 Bay Street, Toronto, Ontario, (RA. 5891)

EDITORIAL BOARD

Alan C. Thompson

Ernest J. Farmer

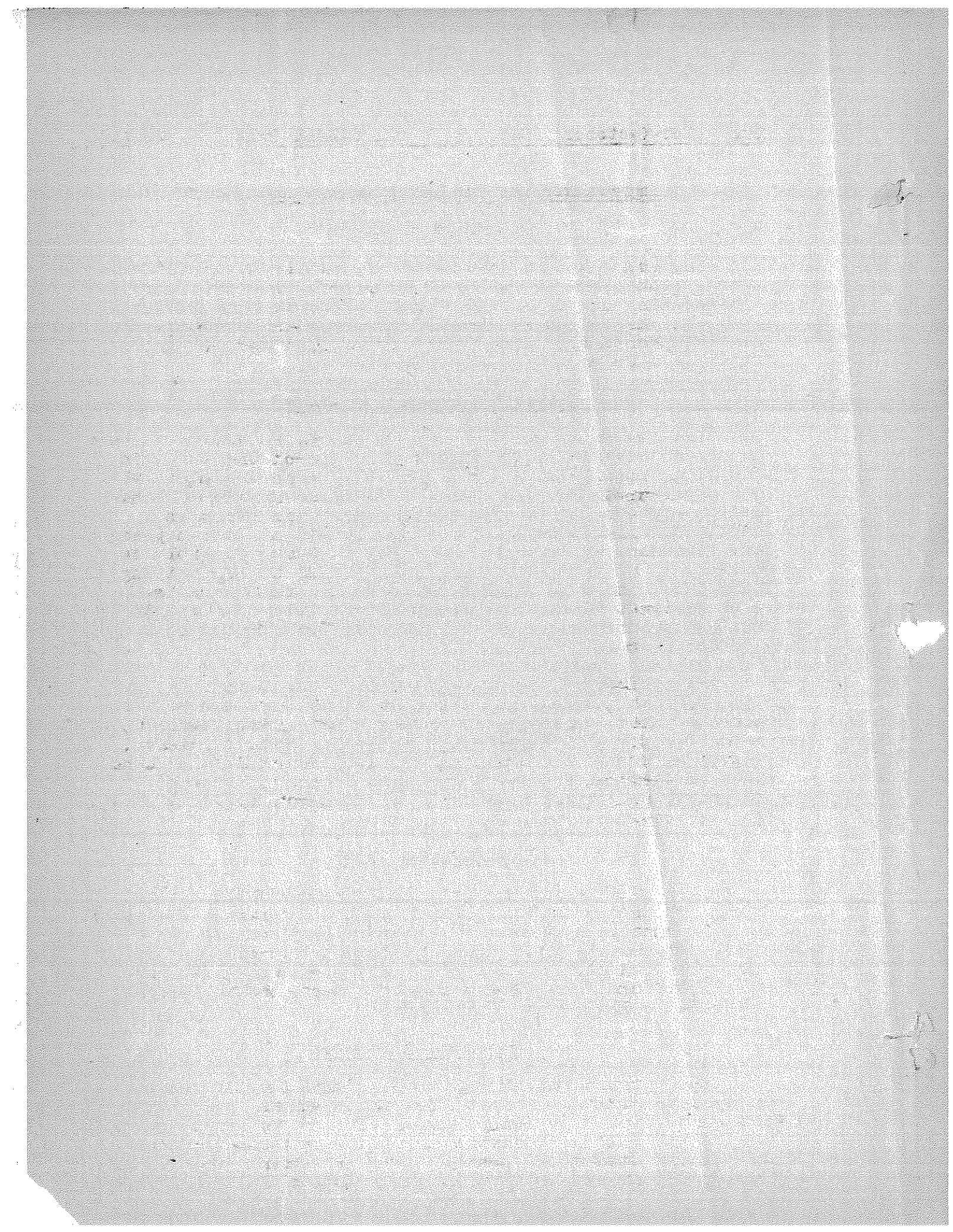
Margaret E. Bateman

Dorothy E. Coate

A. C. Campbell

Herbert T. Owens

13791



Impressions of the Henry George Centenary

Herbert T. Owens

The observance of the Centenary of the birth of Henry George took place at the Hotel Commodore, New York, and at the World's Fair there, from August 30th to September 2nd. The sessions were well attended. Canada was represented by six from Montreal, three from Toronto, and two each from Ottawa and Peterboro, a total of 13.

Mayor LaGuardia's Tribute

The Centenary was opened by Mayor F. H. LaGuardia, who described himself as "an ardent disciple of the economic and social philosophy of Henry George." A reporter noted that the Mayor spoke "with a calm deliberation uncommon in his public addresses." The Herald-Tribune reporter says: "Speaking without notes, the Mayor quoted at length passages from Progress and Poverty and other of George's published works. He confessed that he often turned to the writings of George to find encouragement when he had that 'what's-the-use' feeling. He said he could find similar inspiration only by reading the Gospel of St. Luke and the life of Abraham Lincoln."

Mayor LaGuardia's speech was an auspicious start, and his presence was fitting indeed to honour one who had twice contested for the chief magistracy of New York. Anna George de Mille, for the Henry George School of Social Science; George E. Evans of Pittsburgh, for the Henry George Foundation of America, and Bue Bjorner, of Denmark, President, International Union for Land Value Taxation and Free Trade, made appropriate responses.

President Bue Bjorner

It was refreshing to find in 38-year-old President Bjorner, a prominent lumber merchant of Denmark, a member of the International Chamber of Commerce; and one with an excellent command of English. His charming wife accompanied him. The outbreak of war caused them anxiety so far away from their children. For a similar reason Ashley Mitchell returned to England by air clipper.

Australian Delegates

The program was of high order. Mrs. Ivy A. Akeroyd represented the Georgists of New South Wales, and paid an eloquent tribute to Henry George. She is to remain for some weeks to study the technique of the Henry George Schools in the United States and possibly Great Britain. From Australia also came, as the official delegate from all Georgist groups

there, E. J. Craigie, M. P., of Adelaide, South Australia, who gave a masterly resumé of the tax situation in Australia, printed as one of the Conference papers. Mr. Craigie was elected to succeed Mr. Bjorner as President of the International Union.

Rabbi Aaronsohn -- Walter Fairchild

Rabbi Michael Aaronsohn, of Cincinnati, spoke on "Farewell to Magic." The blind Rabbi took as his text the passage from the Gospel of St. John: "My meat is to do the Will of Him that sent me, and to finish His work." Some of his trenchant sentences were: "Magic still persists. Demagogues have supplanted demons. It is easier to resort to incantation than sanitation. It is easier to bludgeon business than to balance the budget."

Mr. Walter Fairchild, of the Graded Tax Committee, which is endeavoring to reform the fiscal system in New York City, gave a survey of the New York situation, in which he mentioned that the tax on land values, assessed at 8 billion dollars, yielded one-third of the revenue of the city. He said that the land value per capita in New York works out at \$1,000.

F. C. R. Douglas and Ashley Mitchell

F. C. R. Douglas, M. A., a member of the London County Council, and Assistant Secretary of the United Committee for the Taxation of Land Values, was the principal delegate from Great Britain. He was ably seconded by Ashley Mitchell. Mr. Douglas spoke on several occasions during the Centenary, and impressed his auditors with his detailed knowledge and precise utterance. His papers on "Some Theoretical and Practical Aspects of Land Value Taxation," and on "Karl Marx's Theories of Surplus Value and Land Rent," are worthy of serious study. Ashley Mitchell was Chairman of the session the morning of the outbreak of war, and his feeling remarks will linger long in one's memory.

Prof. Jome on Henry George

Prof. Hiram L. Jome Ph.D., of DePauw University, read a paper (unfortunately not printed in the official Conference Papers) on "Henry George: a lesson in Continuity." This was a thoughtful and sympathetic contribution, in which the author held that George by accepting some principles from former economists such as Adam Smith, Ricardo and Mill, was in the succession of economists. He rather questioned that George could be accepted as an economic scientist, or that he had made economics a science. In the discussion, this point of Prof. Jome was challenged by DeWitt Bell, who held that continuity was not the criterion for making one a scientist, but the ability to select and correlate economic facts so that they would logically fit together.

World's Fair Luncheon

At the Saturday luncheon at the World's Fair, the speakers were Judge Samuel Seabury, whose efforts to clean up political evils in New York's civic administration are notable; Jakob Lange of Denmark, translator of "Progress and Poverty," and personal friend of Henry George; and F. C. R. Douglas who took the place of Richard R. Stokes, M.P., prevented by the war from leaving England.

Education vs. Political Action

All through the sessions a cleavage of opinion could be noted. The American group, especially those associated with the School, argued for educational propaganda and expressed opposition to political action and pressure groups. The British group, who represented a measure of success achieved through political action, pointed out the opportunities which elections gave for educating the public, and for practical demonstration of the theory. These contending views brought from the floor the oft-repeated opinion that both schools of thought should be permitted to pursue their method, each untrammelled by the other.

Some Leaders

It was a privilege to meet so many leaders in the movement. The veteran Stephen Bell, author of the biography of Dr. McGlynn, took an active part in the discussion periods. Frederick Leubuscher presented as a birthday gift (his birthday) a cheque for \$1,000 to the School. (Canadian Georgists please copy!) Miss V. G. Peterson, secretary of the Schalkenbach Foundation, is a real high pressure sales representative. Frank Chodorov had a number of his "boys" on exhibition as chairmen -- when the honorary chairmen gave them a chance to do their stuff -- and really had something to be proud of. We missed Antoinette Kaufman Wambough, but two youngsters to care for make a difference! John Lawrence Monroe was present, but played the part of the strong, silent man. And, tell it not in Stockton, and publish it not in "No Taxes" -- but I failed to hear the name of Stockton's Pontifex Maximus in any session. There was an impression by someone that the platform of the C.L.P. in Great Britain was preferable in his view to that of the L.V.T. group there, but the Centenary will be memorable for its tolerant spirit.

At the annual meeting of the International Union, a resolution was introduced to change the name adopted some years ago. It was keenly debated, but the meeting decided to retain the present name, cumbersome though it may be.

Visit to the School

The visit to the School at 30 East 29th Street must not be forgotten. At 10 a.m. on the Saturday many delegates assembled and Lancaster Greene and others did the honor of conducting parties through the building, and telling us how it came to be purchased and how it is now free of debt. The School and the Schalkenbach Foundation are under the same roof which makes for convenience and efficiency.

Canadian Delegates

Canadian delegates in attendance were: From Montreal: John Anderson, Margaret Bateman, Mr. and Mrs. Boudler, Miss Ganser, Strethel Walton. From Ottawa: A. C. Campbell, J. R. Dickson. From Peterboro: Mr. and Mrs. H. B. Cowan. From Toronto: Dorothy Coate, Louisa Macdonald and Herbert Owens.

(The set of the Conference Papers can be had for \$1.00. Orders may be placed with the Square Deal.)

Leacock Will Have His Joke

Frederick C. Leubuscher referred to a recent article by Prof. Stephen Leacock, entitled, "Lost in the Jungle," in which Leacock said:

"It has been calculated that if all the economists were laid in a line, end to end, from the Mexican border, they would come out nowhere."

--ooOoo--

The Vaunted "English" System

The Globe and Mail tells about fighting a fire which occurred in a furniture warehouse in fashionable Belgravia during a blackout. Much valuable furniture stored there by the Duke of Kent and other Peers and fashionable people was destroyed. There is a note of economic determinism in this news despatch, for it informs that "the warehouse was crammed full because if a house is unfurnished a Londoner does not have to pay local taxes on it." And this is the system that the real estate interests want to see adopted in Canada!

--ooOoo--

EDITORIALSWar Time Financing

This issue of The Square Deal is the first since war has been declared. Parliament was summoned and measures to finance the initial stages of the war were passed. In a communication sent to Members of the House of Commons by the Sales Tax Repeal Association, a protest was made against a mooted proposal to increase the federal sales tax from the present rate of 8% to one of 10% and happily this increase did not eventuate. However, the sales tax base was extended to items hitherto exempt: smoked meats, canned fish and carbonic acid gas for soft drinks. Liquors, beer, wines and cigarettes are subject to an increased excise. Specific taxes are levied on tea and coffee. These new taxes will probably pyramid costs in every case.

Other items now subject to sales tax, but exempt hitherto, are electricity and gas when used in dwellings. One merit of these particular taxes is that they will not be pyramided, neither will they be concealed from consumers as the sales tax usually is. The tax is to appear separately on bills. One might question why buildings used for commercial and industrial purposes are exempted from this tax and householders (mostly wage earners) have to carry its entire load. A year ago the federal government exempted building materials

from sales tax with the avowed purpose of encouraging our very sick construction industry, thereby admitting that the tax is a detriment, as indeed it is. Logically the sales tax should be discarded as a source of public revenue, but neither logic nor taxation science operates to any great degree in our public treasury departments, municipal, provincial or federal. The concealed federal sales tax is the most expensive method (to the pockets of the people) of raising public revenue.

Another war finance provision is the excess profits tax. The legislation calls for two options -- one a graduated tax on profits, and second a 50/50 division of profits between the government and the corporations. Even 50 per cent. may be too generous to the latter, in our opinion. Of course, the government may get a cut out of the 50 per cent. going to stockholders through the income tax provisions. Incidentally, persons subject to income tax must pay a war surtax, likewise corporations coming under the same Act.

No provision is made, however, for any unearned increment in land values, such as is anticipated by realtors, going into the public coffers. Anticipating inflation, the realtors and financiers are advising investment in land holdings as a "hedge" for future security. As this type of investment

may not yield returns for some time -- if ever -- the government may find its revenues curtailed. A national land value tax would safeguard such a contingency and it would be most helpful when it comes to returning demobilized soldiers to civilian life, for such a tax would force land into use -- i.e., make land accessible to labor.

--ooOoo--

The Russians in Poland

While many think that the Soviet action in regard to Poland was a stab in the back, one should keep in mind the Russian attitude towards countries outside the Communist system. The Soviets consider their action as a liberation of some very oppressed neighbors. So they have begun to distribute amongst Polish peasants the vast estates of the Polish nobles. Prince Michael Radziwell is mentioned, as an owner of 230,000 acres; also Prince Lubomirski, said to have been killed while defending a portion of his considerable acres.

The Clarion gives a further picture of the Polish land situation. In the West Ukraine, ruling classes owned 88 per cent. of the land, and in West Byelo-Russia they owned 60 per cent. In Stanislawsky province, 630 landlords owned half the land, while 200,000 Ukrainian small peasant households held little more than a quarter. In Polesia province, 1,000 landlords had two-thirds of the land, while only a sixteenth was held by

70,000 Byelo-Russian peasants. With the Soviets distributing the land to the peasantry, will it not put Germany on the spot in the eyes of the people of Poland if the Nazis do not follow the Russian lead?

Russia nationalized land at the time of the revolution of 1917, so that land in Russia to-day is free. Therefore, to the present generation of Russians, the plight of the Polish peasants must have seemed something like that of the slaves to American abolitionists of the last century. In this connection then, what must the Russians think of Great Britain, where a "New Domesday Book" compiled in 1873 listed the following huge estates? The Duke of Sutherland 1,358,546 acres; The Duke of Buccleuch 458,739 acres; the Earl of Breadalbane 438,358 acres; Sir James Matheson 424,560 acres; The Earl of Seafield 305,930 acres; The Duke of Richmond 286,411 acres; The Earl of Fife 259,003 acres; Alexander Matheson 220,663 acres.

There may, of course, have been changes in the above list since then, but likely not to any considerable extent. There are comparable lists in Canada such as the 1,250,000 acres in Alberta whose mineral rights are controlled by the Calgary and Edmonton Company.

We may not approve of everything in the present Russian state; but Russia's action in Poland is being interpreted as not inimical to the cause of humanity by outstanding British publicists.

OBSERVANCE OF HENRY GEORGE CENTENARY IN CANADAHenry George Club of Victoria, B. C.

The Henry George Club of Victoria held a commemorative dinner at Spencer's dining room on the evening of September 2nd to honor the Centenary of Henry George's birth. Alexander Hamilton, President of the Club, called attention to the facts that George had once been a resident of Victoria, and that this year marked the fiftieth anniversary of the movement in British Columbia. On this latter point, Mr. Hamilton said:

"Where a few reversions to the taxation of improvements have taken place in British Columbia, they were invariably the result of manipulations by small minorities," Mr. Hamilton said. "There has never been a popular movement in that direction. On the contrary, on every occasion that a plebiscite has been taken the electors decided by overwhelming majorities against the taxation of improvements and in favor of the taxation of land values."

According to the "Colonist" report, at the conclusion of Mr. Hamilton's address, members of the Club, in turn, spoke briefly in tribute to Henry George and the economic philosophy which he represented.

--ooOoo--

Montreal

The Montreal Extension of the Henry George School of Social Science held its centenary dinner in the Windsor Station Dining-room on September 7th. The guest speakers were Mr. Craigie M. P. for Adelaide, South Australia, Mr. F. C. R. Douglas member of the London County Council of London, England, and Miss Teresa McCarthy secretary of the Henry George School in New York City. Local speakers were Mr. John Anderson director of the School in Montreal, Miss Margaret Bateman, Mr. L. Boudler, Mr. Henry Moreau. Mr. Anderson was chairman for the evening. Miss Bateman and Mr. Boudler introduced the out of town speakers and Mr. Moreau thanked the guest speakers. Vocal solos were given by Mr. Robert Booth.

Mr. Craigie told the audience that land monopoly is the arch enemy of labor and capital and that today's methods of raising revenues are based on illegal foundations. Mr. Douglas took as his theme the theory that political freedom is useless unless supplemented by economic freedom. Miss

Bateman stressed the fact that while we must obviously defend ourselves from the madman of Europe, we must not forget that the conditions which produced the madman were caused by poverty and ignorance. That it is more necessary than ever to work to educate people in economics as taught by Henry George.

There were 132 people present at the dinner.

--ooOoo--

Toronto

On September 6th, a gathering was held at the Central Y. W. C. A. at which impressions of the Centenary gathering at New York were given by Herbert Owens, followed by an address by F. C. R. Douglas, of London, England, a member of the London County Council and assistant secretary of the movement for Land Value Taxation in Great Britain. Prior to the meeting, Mr. Douglas was entertained to dinner by Hon. A. W. Roebuck. Ernest J. Farmer presided, and Mr. Roebuck expressed the thanks of the gathering to the visitor.

--ooOoo--

Canadian Periodicals Notice Centenary

The October issue of The Country Guide and Nor'West Farmer contained a friendly editorial article on Henry George and the present status of the movement, on which incidentally it is not very up to date.

The Hamilton Review in its issue of September 29th printed as its leading editorial a lengthy article on Henry George taken from the Christian Science Monitor.

--ooOoo--

E. J. Craigie's Visit to Toronto Cancelled

Summoned by cable to return to Australia Mr. E. J. Craigie had to cancel his proposed visit to Toronto. He asks that his "sincere regrets" be conveyed to Georgists at Toronto, and mentions that he had been "anticipating the pleasure of a few days in your city." It is fortunate that he was able to visit Montreal.

--ooOoo--

Fall Study Groups Now Under WaySchool of Economic Science Chartered

The School of Economic Science has been chartered under the Companies Act of Ontario as a non-profit body, the charter being dated September 11, 1939. The educational work of the Georgist movement will henceforth be conducted under this incorporation. The following directorate has been elected:

President	Ernest J. Farmer B. A.
Vice President	J. H. L. Patterson
Secretary Treasurer	J. A. McCorquodale

As at present, the executive work will be in charge of Herbert T. Owens.

--ooOoo--

Montreal ItemsHeadquarters Rented

An office has been rented at 1502 St. Catherine St. W., which will be a book depot and meeting place for study groups, committees, etc.

Study Groups

A class in Progress and Poverty opened on Monday, Oct. 16th, at the Y. W. C. A., with Miss Bateman as leader. Mrs. Boudler headed another group meeting on Tuesday evening, Oct. 17th. Mr. John Anderson will conduct an advanced group in International Trade, to be followed by a course in The Science of Political Economy. These groups will meet in the new quarters. Other groups are planned for this Fall. (Reported by Strethel Walton, Extension Secretary)

Visit of Secretary Herbert Owens

On Oct. 14th representatives of the Montreal group gathered at the home of Miss Walton to meet Mr. Owens, and a profitable evening was spent. A report of Mr. Owens' remarks appears elsewhere in this issue. In addition to the hostess, Miss Rose Ganser, Miss Florence Childs, Miss Leah, and Mr. J. F. Johnston were present.

--ooOoo--

HamiltonClass in "Science" Graduated

On Friday, September 29, the group which had been studying The Science of Political Economy during the summer held its closing session at the home of Robert Wynne. Secretary Herbert Owens was present, and was extended the courtesy of leading the group after which he gave a report of the New York Centenary gathering.

New Study Group Organized

The first session of a new group in Progress and Poverty was held at the I. O. F. Hall, Main St. S., on October 17th. Mr. Ernest J. Farmer travelled from Toronto to assist. Study sessions will be held at the I. O. F. Hall. For two seasons past several groups have met at the home of Mr. and Mrs. Wynne, whose gracious hospitality has been greatly appreciated.

Group at John Wilson's Home

Mr. Wilson will conduct a Progress and Poverty group at his home, 142 Balmoral Ave. N.

--ooOoo--

St. Catharines, Ont.

During the week of October 29th a group will be organized in St. Catharines to meet at the Y. W. C. A. there. It will be led by Herb. Brownlie, who will be assisted by other members of the Hamilton group which is taking responsibility for providing leadership. Two other members have volunteered for teaching service in Brantford.

--ooOoo--

Toronto Stud. Groups Program

On October 4th, an enrolment session held in the Foresters Hall, 22 College Street, resulted in the organization of two groups which are now meeting on Tuesday and Thursday evenings, at 8, at the headquarters of the School, 991 Bay Street.

A program of advanced groups is scheduled as follows:

International Trade enrolls Wednesday, November 1, 8 p.m.

Democracy vs. Socialism enrolls Sunday, October 29, 3 p.m.

Secretary Herbert Owens Addresses Montreal Group

That the citizens of Montreal could secure all of the civic services now provided (except water) for an average of less than \$16 per month per lot, instead of through the multiplicity of taxes now levied, was advanced by Herbert T. Owens, executive secretary of the School of Economic Science, to a gathering of members of the Montreal branch of the School, held at Miss Walton's home on the evening of the 14th of October.

Quoting from civic statistics, Mr. Owens related that there are 95,966 vacant lots in Montreal and 90,606 improved, making a total of 186,572. Inasmuch as \$35,236,526 was obtained from taxation in the fiscal year 1939, it would require an average of \$188 per lot to yield this total. In this calculation, it is assumed that all lots are of equal value which, of course, is not the fact. If the principle of levying taxes on land values were adopted, the more valuable lots would pay more than \$188 per annum and the less valuable would pay far less. There would be a considerable saving in assessment and other costs if the city were to exempt improvements and to cease collecting such nuisance taxes as those, for example, on electric motors and steam pressing machines as well as on business.

Mr. Owens pointed out that the present assessment on land values works out at \$381 per capita as compared with \$553 per capita in Toronto from whence the speaker deduced that land values were possibly under-assessed in Montreal.

To raise all revenues from a basic tax on land values as has been done for a quarter of a century in Sydney, N.S.W., Johannesburg and other centres, would require a mill rate of 102.52 for Montreal on its present land values assessment. In the case of a \$5,000 property where land is assessed at \$1,000 and the building at \$4,000, the owner now pays about \$175.00 a year, whereas under the proposed system he would pay \$102.52 making an annual saving of \$72.48 plus many other advantages. These portions of the city where land is valuable would pay relatively more taxes than they do now, but as productive areas they could well afford to do so.

--ooOoo--

Australian Landlords Vote for Land Value Taxation

In South Australia the law provides that municipalities which have adopted Land Value Taxation may take a reversion poll on request of the ratepayers. Only three such polls have been taken since 1913, and the landlords themselves in all cases, according to Mr. E. J. Craigie, "cast substantial majorities in favor of retaining the system of taxing land values."

Timber Limit Rentals Too Low In British Columbia

The Henry George Club of Victoria intend calling attention of the provincial government to the desirability of increasing rentals on timber limits, the present leases being considered very low.

A protest is being made to the Victoria municipal council objecting to monies from sale of reverted properties being turned into general revenue to keep down the tax rate instead of being used to reduce capital indebtedness.

The Club plans an active season.

--ooOoo--

Henry Ford on Idle Land

Climbing on the Band-wagon

An Associated Press interview with Henry Ford was carried by many papers on October 3rd, in which the noted industrialist predicted a growing "return to the land," and said there can be no such thing as overproduction "if you measure production according to the needs of the earth's people." He also said: "I hope to see the day when all idle land will be taxed heavily enough to force it into use." That's encouraging.

--ooOoo--

The October issue of Better Homes and Gardens runs a leading editorial advocating the removal of taxes on homes. It begins: "Why not exempt owner-occupied homes from ad valorem (according to value) taxation?" But why stop at "owner-occupied" homes? The conclusion of the editorial runs into a fog, for the editor suggests for an alternative a sales tax as one solution. He has evidently never studied the subject of economic rent.

--ooOoo--

On October 3rd, Mr. and Mrs. Ewing visited Montreal, coming to Toronto the following day. In the latter city they attended the regular weekly luncheon at the Dutch Inn, and brought greetings from Chicago Georgists to the enrolment meeting held in Foresters Hall that same evening. Miss Louisa Macdonald motored the visitors to points of interest and entertained them at her home.