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Single copies 10¢

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Modern coercive communism in practice is a system of forced labor; the laborers of hand and brain are owned in common in the sense that the state conscripts and takes away their freedom. They cease to own themselves. -- Commonweal (London), January 1949.

No one should dismiss the Communist menace in this country. The local Communists are not a party, they are not mere adherents of a creed; they are a conspiracy. But they are nothing to scream about. It's better to watch them and make sure we know what they are up to. -- Martin Ross, in "Enemy Within", Saturday Night (Toronto), Sept. 12, 1950.

Mr. Van Horn, president of Wealth Incorporated, recently announced that this group is engaged in making a survey of economic opinion, and that preliminary field testing has indicated that collective ideas are capturing the American mind. "The same questions put to George School graduates," he said, "reveal that they understand and believe in a free economy." -- Henry George News, October 1948.

A well-versed follower of Henry George can mop up Communists in argument much more effectively than a vice-president of a Bankers' Trust Company. -- Dorothy Thompson,

THE SQUARE DEAL

Authorized as second class mail
Post Office Department, Ottawa.

Published bi-monthly by the Henry George Society
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48 Fulton Ave., Toronto 6 Ont.

GOOD FOR DENMARK!

Not long after making considerable gains in the Danish municipal elections, the Justice Party at the recent State election again doubled its strength in Parliament. At the previous election its representation increased from three to six; it now stands at twelve. There is so much progressive sentiment in other Danish parties that it may not be long before further practical progressive action is taken.

It is worthy of note that in 1947 -- the last year for which figures are available, but so soon after the Nazi occupation -- the Danish death rate reached a new low of 9.7. This is a little higher than the death rate in this favored country, which latterly has stood at 9.4 -- but materially lower than that of Ontario, the richest and most favored Province in the Dominion.

SOUTH AUSTRALIAN CITY ADVANCES

THE SQUARE DEAL has not of late attempted to report all the cases of municipalities in Australia and New Zealand which have adopted Rating on Unimproved Values; some of these are very small. But on July first West Torrens City adopted the reform by a vote of 1639 to 410. In only a single ward was the vote less than 2 to 1 in favor, and there only a few votes less. Mr. E. J. Craigie (now in his 79th year) writes: "You may remember that in 1948 we had a poll, and although we had then a majority of 660, we were 73 votes short of the statutory three-fifths majority, therefore the poll was not effective. ... I addressed public meetings in the five wards and distributed literature. It is a great victory as the Town Clerk of West Torrens is regarded as the strongest opponent of the land value principle in this State."

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The land tax, as imposed in New Zealand, has been a fiscal success, and there can be no doubt that it has been a factor in bringing about our prosperity. The rating on the unimproved values for local purposes has proved a success, and the opinion of the Government is that it should be made compulsory. -- Rt. Hon. R. J. Seddon, for 13 years Premier of New Zealand.

It is suggested that land taxation be introduced into our present municipal tax system as one phase of an integrated community plan. The procedure which would least disturb present practice is the placing of a progressive tax on the assessed value of land and the untaxing of all improvements. Extending the principle of scientific assessments and classification of potential would make such a scheme comparatively simple to apply. -- The Yale Law Journal, December 1947.

THE MORAL ISSUE IN TAXATION

Allen V. Brett

Taxes are a forced contribution to the State from the individual. Inasmuch as they rest on force, they must be utterly just, or a great wrong ensues. Couple with this the accepted fact that what a man earns belongs to him, or he feels that it ought to belong to him, and we get a conflict of economics, ethics and politics, with disastrous results. Unless taxes are moral, they are not only unmoral; they are demoralizing. And that is the present situation. Taxes are a demoralizing force in the life of the nation today.

We need taxes to support Government. Admitted. But Government at its best is a clumsy animal, an unwieldy pachyderm. And while we are ready to carry water and hay to the elephant for our tickets to the circus, we object to carrying it beyond a given point. We want to see the circus. When we are faced with the alternates of drudgery, lying out of it, taking a licking, or fighting for our rights, why let's get together and fight, on paper at least. But who are we to throw a stone at the man caught in a lie? "Let him who is without sin, cast the first stone."

And the sequel to that -- "Go thou and sin no more." Just how can we go and not sin? That is a question, a moral issue in taxation. We have the eighth Commandment -- "Thou shalt not steal." It should have a corollary -- "Thou shalt not be stolen from." When we submit passively to being stolen from, we become a party to the crime. We are guilty with the thief. When we feel that taxes are stealing from us our earnings, and a good many of us feel that way, and most of our taxes are stealing, why, there must be something wrong with the system. Picking out a victim and stoning him won't do any good except to satisfy the Pharisees and the mob. The victim becomes a meaningless scape-goat, sacrificed to ignorance and passion and publicity.

Taxes are spent, or should be spent, for the common good, the common need. They should therefore come out of a common fund, the common wealth. Are incomes common wealth? No. Incomes are individual wealth. They are earned honestly or made dishonestly. If an income is earned honestly, it belongs to the man who earns it. If it is dishonestly acquired, society is concerned with the way it was earned, and has a right to investigate and penalize, and correct the condition. It is a principle of law, as I understand it, that a court, in trying an absconder, for instance, is not concerned with what he

has done with the money. It is only how he got it that is relevant to the case. The moral implication of the income tax law is that we have not made our money honestly and that we must hand over part of the swag. But the Government must have income, you say, and these men have made lots out of their fellow men, and they should be glad to contribute to society in proportion to what they have received. A beautiful theory, but it doesn't work. There is a vital difference between contributing freely and being forced to do so. It is inverted prohibition, with dire results.

And tariffs, excise taxes, process taxes cigarette taxes, sales taxes, the whole sordid crew, omnibus robbery -- a pinch here, a hold-up here, hi-jacked there, blackmailed yonder -- it is all a rotten mess that gets worse the more one goes into it. Ant discussion of taxation is a nightmare of conflicting opinion -- crazier than any Alice-in-Wonderland scene at its maddest. The Mad-hatter politicians are matched only by economic illiterates who either pay their taxes or who dodge their taxes. It is all a crazy mess, and we call it civilized. Founded in expediency, ignoring justice, destroying righteousness, inprincipled, and socially vicious -- that is what our taxing system amounts to.

To get wealth, we must take wealth. And we need wealth for public expense. But for our common needs, we must find a common wealth, some wealth which in its source and creation belongs to all of us in common, and which we can take for our common needs. Kropotkin, in one of his essays, discussing the historic role of the State, gives us a clue. According to him, the first social tie was the family, the clan, the tribe. That is the elemental social organization. As peoples migrate, family and clan ties are broken and weakened, or, as peoples "disaggregate", to use Kropotkin's term, a new bond comes into play, and that new bond is the common use of land, or the common possession of a certain territory. The one common tie that we have is that we are all here together -- it is our country. Is it our country or is it not? If it is our country how much of it is ours? What part of it is common wealth? In our highly organized society, we cannot use land in common. Such an effort would disrupt too much that which makes life worthwhile. But we can use land-value in common by taking for taxes the return, all the return, from land value. Land is earth, to be privately or publicly held as seems best. Land-value is not land, land-value is social wealth, is the common wealth, and should be a natural source of income for social use, or .. taxes.

Let us examine for a minute how we really own anything. An automobile -- I bought it on time, not paid for yet, Lord help us. Stocks and bonds -- some bought and paid for, title

by possession and maybe registration. A suit of clothes -- cash exchanged and possession. Books -- gifts or purchase, or, heaven forgive me, unreturned borrowing. Food -- purchase, possession, consumption. Shelter -- paid for by the week or month, as the case may be. A house -- by cash and mortgage, and you pay off the mortgage if you can. And so on, and so on. All of these are the product of my fellow man's labour, and I exchange the product of my labour for them. He gives me a valid title and I own them.

But now I want to own land. To own land, say, I don't buy land, earth. I have to buy land-value, wealth in land. The man who sells it to me neither created the land, nor did he make the land-value. The title to the earth which he gives me in exchange for my money has to be certified, researched, abstracted. If that is traced back far enough it will be revealed that the title once belonged to all of us in common. And the land value which I buy from him is an uncertain quantity. He is selling me the habits, desires, emotions, of thousands of his fellow citizens. These may change. He can neither control them nor change them to any great degree. He is selling me what he neither made nor owned -- title to the land merely gave him possession, gave him the land value which I had to buy from him.

It is apparent that we can own land, buy it, sell it, and traffic in it. The medium of exchange, the yardstick, is land value. We cannot create it. We cannot guarantee delivery or quality of product. Just as the earth is solid and continuous under our feet, with the clay and sand and rock and river all one contiguous reality, so land value is a wonderful rug or fabric, woven over the earth by humanity, of varying thickness in different localities, but there always. And that rug is woven by us all together, our common lives; our very being and breathing is its warp and woof. It is ours. It is our commonwealth.

Jesus said: "Render unto Caesar the things that are Caesar's." Would He not say today: "Render unto Society the things that are Society's"? In all this mad scramble to tax this and tax that, we have lost sight of certain fundamentals. Society has no right to take anything unless it has earned the right. We would be a wealthy commonwealth, if we would take our common wealth and use it. A tax on land value is not a tax; it is merely collecting collectively the income from what belongs to us collectively. We are merely asserting title to what we have created and honestly own. The publicans and tax-gatherers of His day were held in scorn and derision. Shall we not follow His example as to the politicians and tax-gatherers of to-day and convert them along with the other

sinners.

The good earth lies open. Its nominal ownership, its value, its use, are all before us. Its private use is a privilege, granted to the individual by organized Society, and that privilege must be paid for. Such payments are just, are honest, are moral, and re-moralizing. Of course, under such conditions as proposed, no persons would want to own land unless they could use it, but when you get right down to it, why should they? The converse, that everybody who wants to, could use the earth, is obviously true. And it can be demonstrated that everybody making proper use of land would be paying less tax than they are now. The extensive implications, economic and social, of this approach to our problem of taxes, will have to be covered in some other discussion.

And so, to conclude -- I hate with a righteous hate a system of taxation that allows individuals to take from us what we all earn collectively, and a system that collectively takes from us what we earn individually; that keeps us carrying hay and water to an elephant standing in the midst of his own plenty, too blind to see; that makes drudges or liars out of us when we want to see the circus, and when we feel we have earned the right to see it.

That is a moral issue in taxation. It will have to be met, sooner or later. The sooner the better. -- Land and Liberty, August-September, 1950.

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A Federal Grand Jury has indicted six corporations for allegedly monopolizing the \$10,000,000 a year street lighting industry. How about indicting the monopolizers of the land we all have to live on? -- Sydney Meyers, in the Henry George News, December 1948.

In the Senate, on May 20, Senator Ballinger said that 8,500,000 natives owned 17 per cent of the land, while 2,250,000 Europeans owned 83 per cent; but this is only a half-truth, for only a minority of the Europeans own any land. The tribal Natives are better off than we are in that respect, for they can at least find a patch to squat on without having to pay some other Native for the privilege.

Most of the Europeans, on the other hand, have not only to pay some other European for a patch of land on which to build a home -- for permission, in fact, to live on the earth -- but we, our our relatives, have to pay for a little bit of earth in which to get buried when we depart from this vale of tears. -- Mather Smith, in The Free People, July 1949.

THE MENACE IN SOUTH AFRICA

Ernest J. Farmer

It is possible, it is true, for a Government, fairly elected by a majority of the people, to be corrupt and oppressive. As Henry George shows in Book X of Progress and Poverty, a democracy may become corrupt. There is nothing worse than a corrupt democracy, which inevitably passes under despotic rule. A fairly sound populace may be deceived by a wholesale campaign of lies and false promises. In practice, governments can never perfectly represent the people who elect them. Almost invariably they are of lower ethical standards than the average of the people whose affairs they administer. The more misrepresentative the government is, the smaller the proportion of the people by whom it is elected, the more it falls short of the general standard. A corrupt government has a corrupting influence not only upon its favorites but upon the whole people.

A case in point is the present Government of South Africa. In the present South African Parliament, the Negroes, who constitute about three-quarters of the population, are represented by but three members, who must be of European descent. "Colored" people -- including Indians and persons of mixed race -- might formerly have their names upon the Common Voters Roll, but only a few were actually enfranchised. Of the minority (almost all white) who did vote, only a minority supported the Malan party. F. H. Sharley, President of the Proportional Representation Group of South Africa, said, as reported in The People's Advocate of November 1948: --

"If the Proportional Representation system of voting had been used in the recent South African elections, Pro-British Smuts and his followers would have been elected. Unfortunately, however, the "first-past-the-post" system was used, and that led to the election of "Not-So-Pro-British" Dr. Malan and his associates. The figures were:

Smuts Parties .. 547,437 votes -- 60 seats

Malan Parties .. 442,338 votes -- 78 seats.

"If the British Commonwealth is to survive, its democratic institutes must be strengthened. Never again should a government be elected by a minority vote."

A minority government, knowing it lacks the goodwill of the populace, is particularly likely to resort to corrupt and oppressive means to continue its power. The Malan Government, placed in power by a serious fault in the electoral system, has recently passed legislation for which there is no parallel in any English-speaking State since the evil days

of slavery in the United States.

Under this legislation citizenship has been graded, into first, (White or European), second (Colored), and third (Black or African. Blacks are further subdivided according to tribe and whether they speak English or Afrikaans. Classification is made arbitrarily by Government officials, who are in a position to place political opponents in a lower classification regardless of actual origin.

Every city, town, village and country district is divided into corresponding zones. Whites may trade in any zone. Black and colored miners, factory workers and domestic servants may, by special permission of the Minister of the Interior, reside on the property of their white masters. Otherwise no person may reside, conduct business or own property outside of his own zone. To Whites, less than one-quarter of the population, is allotted three-quarters of the land -- including all the most valuable land; to the Blacks, some three-quarters of the population, is allotted but one-eighth of the land.

The Minister of the Interior is empowered to acquire and occupy any land or premises the Government may require. He is to appoint a Land Tenure Board, which shall employ inspectors, who are privileged to enter and inspect any buildings at any time, to enforce the Minister's orders. The right to challenge his powers in the Courts is expressly denied.

The small representation the Blacks have in Parliament is abolished, and the colored are disfranchised. The Government has strengthened its position by annexing (in defiance of the United Nations) the formerly German South-West Africa, in which are many persons of German descent and Fascist sympathies.

While declaring itself anti-Communist, the Malan Government has adopted much of what is worst in the Communist regime. Except that the Soviet Government has eschewed racial discrimination, there is little in principle to distinguish the Malan Government from the Soviet regime of a dozen years ago. If the Malan Government is able to stay in power for any length of time, it will undoubtedly progress, as that of the Soviets has, towards a complete despotism. And, as the Soviets are gradually reintroducing racial discrimination, the difference in that respect will lessen. The religious difference is purely nominal; both are inveterately anti-Christian.

The Malan Government claims that its legislation is necessary for the survival of the white races in South Africa. Actually, it is aimed against human freedom; it aims at subjugating not only the blacks, but all workers. White workers in the

former slave States have not yet fully recovered from the evil legislation of slavery days. So far from helping the white races to survive in South Africa the Malan legislation places it in a position of peril. The Whites are less than a quarter of the population of South Africa and a far smaller fraction of that of all Africa. So small a minority has two chances of survival. It may place itself in a position of leadership, showing the masses the way to better things; or it may resign itself to utter insignificance and inoffensiveness. Otherwise it must oppress the majority more and more, itself degenerating in the process, until it is swept away in a cataclysm.

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Our treatment of the Natives is an insult to God. -- Rev. Father Huddleston (South Africa; said before the recent legislation was passed.)

For N. S. W. at the State Elections in 1947: the average number of votes necessary to elect an A. L. P. member was 15,593; a Liberal 125,288 and a C. P. 14,415. Or 46.80 per cent of the voters elected 47 members while 53.20 per cent of the votes elected only 35 members. -- The Standard (Sydney).

Which is better for a country, true representation of the people, or a distortion of public opinion? Proportional representation only provides for the former, while first-past-the-post and preferential voting in single electorates provide for the latter with consequent bad government. -- Idem.

Fresh from an informal talk at school on the need for understanding and assisting "D. P.'s", the 10-year-old daughter of the house was slowly scanning a newspaper. "Daddy," she asked, "if a D. P. is a displaced person, is this man with M. P. after his name a Misplaced Person? -- Toronto Daily Star.

Connecticut's five biggest cities have roughly 35% of the population, but of our representatives to the lower House (House of Representatives) they elect less than 3%. .. The two representatives from Hartford, which has a population of around 170,000 can be outvoted two to one (and usually are) by the two representatives from Union, which has a population of 290, plus the two representatives from Colebrook, which has a population of 620. -- Chester Bowles, Governor of Connecticut; quoted in the CIO News, Aug. 1, 1949.

The Canadian Chamber of Commerce (Montreal, Oct. 26, advocated use of the single transferable vote in federal elections -- CP despatch.

GRADUATED OR LAND-VALUE?

It's taxes we're talking about as a few of our readers will know. (Some of our readers tell us they just can't understand this Economic stuff about taxes." We can only hope they will invest a dollar in Economics Simplified and study it. We can't tell the whole story in our "comment on current events."

The Farmers Union of North Dakota is vigorously pressing constitutional amendment to permit a graduated land tax. The Kansas legislature is considering the same thing, and in an Oklahoma poll, 72% of the state candidates for state offices favor enactment a graduated land tax.

And what is a graduated land tax? It is one in which the rate increases with the size of the land holding. As the size of farms in the plains states gets larger and larger, people are looking around for something to check this trend. So they say, let 's tax the farmer with 1,000 acres at a higher rate than one with 500, and the one with 100 acres at a still lower rate, etc.

The INTERPRETER is for an equal access to land; we want to remove hurdles to using land; we are, ingeneral, against large-scale farming. But we believe the graduated tax is a mistake. It does not get at the root, which is unearned increment in land value. The value of land -- or its income -- does not depend upon its size so much as it does upon non-owner made factors like location and fertiltly.

For instance, a man may have 1000 acres of Oklahoma farm land in a dry desert-like place which has only a fraction of the value of a few acres of oil land. Why should the 1000 acre place carry a higher tax rate than the small oil-acreage?

A 500 acre farm on a Kansas plateau may be worth much less than a 100 acre rifer farm. Why should the difference in number of acres determine the tax rate? A 500 acre farm may not be netting the farmer as much as one city lot in Kansas City. It is not the area that determines land value, but the amount of the productivity of any plot over the least productive plot in use. This difference is economic rent, and it is this factor -- that part which is largely due to things the user does not himself create -- which should be the basis of taxation.

This second type of taxation will transfer to the local government unit -- city, county or state -- all that the "community" creates in that situation, and discourage holding land for speculation. If this fair tax basis were in effect, each land user would use only that amount which he couldn efficiently handle. In some cases it might be a large farm. But if he were returning to the community all community-produced value, he

would rightly be entitled to a large farm. But in general, this method would reduce the size of land holdings. It is justice and equity in land use that should be the basis of a land tax. The result of a good land tax system would not be the arbitrary division of acres but the distribution of community-produced values -- that is, the value which the individual user did not himself create. -- The Interpreter (Brookville, Ohio) August 1, 1950.

(Henry George showed that a tax on land according to area would be extremely effective in lowering wages, since it would reduce the return from the least productive land in use, which determines wages. A graduated tax such as that described above would have a similar if less pronounced effect, since on the poorest land in use a considerable area is needed to give one family a living.)

MONTREAL HGSSS OPENS SEASON

Strethel Walton

We are starting the new season with a meeting to be held at the headquarters of the School on Wednesday evening, October 4th, at 8.15 P. M. We have moved again, this time to a much nicer and considerably larger place right next door to our last location. New address, 222 Wood St., Westmount, Que. There will be short talks by Phil Blackwell and Stuart Goodrick, discussions on economic matters, and part of the evening will be spent in a social way.

A class in "The Science of Political Economy" will be held on Wednesday evenings, commencing October 11th.

Two classes studying Progress and Poverty will commence on Monday, October 2nd and Thursday, October 5th.

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How is it that politicians have such a liking for pettifogging taxes that yield but little revenue and produce much annoyance? It appears to be because they have little minds. They are unable to take wide views. They can see a person posting a letter, but they can't see that winning the war mainly benefits the owners of land. They are prepared to expend many millions to enrich owners of land with unearned values and let them have it as a gift, but they tax a workman posting a letter. -- The Standard

Since taxation has a vitally important bearing on social relationships, declared a speaker at the International Conference of Mental Hygiene, psychiatrists and sociologists should take an active part in influencing writers of tax laws. Science seems to support the opinion that our tax legislators ought to have their heads examined. -- Sydney Mayers.

COMMUNISM FROM THE INSIDE

Few outside the Communist countries are in a position to get a better understanding of the Communist mentality than may be gained by reading "THE GOD THAT FAILED", compiled by Richard Crossman, M. P., published by Hamish Hamilton Ltd. (London, Eng. 272 pages, price not given). Authors are three ex-Communists and three writers who at one time were strongly sympathetic towards Communism. A few quotations will give a better idea of the book than much criticism.

"That Communism, as a way of life, should, even for a few years, have captured the profoundly Christian personality of Silone and attracted individualists such as Gide and Koestler, reveals a dreadful deficiency in European democracy. . . . The tragedy of the Spanish war and the campaign for a Popular Front against Fascism brought a whole new generation of young westerners into the closest collaboration with it, and delayed the withdrawal of many who were already appalled by their experiences. To denounce Communism seemed tantamount to supporting Hitler and Chamberlain." --- Crossman.

"'People who are born in this district (in Italy) are really out of luck', Dr. F. J., a doctor in a village near mine, used to say. 'There's no half-way house here; you've either got to rebel or become an accomplice.'" -- Ignazio Silone.

"I have written, and I believe firmly, that if Christianity had really prevailed and if it had really fulfilled the teaching of Christ, there would today be no question of Communism -- there would indeed be no social problem at all."-- Andre Gide in 1935. "There was in my Soviet adventure something tragic. I had arrived there a convinced and enthusiastic follower in order to admire a new world, and they offered me, to tempt and win me, all the prerogatives and privileges which I abhorred in the old world. --- Gide in 1936.

"No dictatorship is a democracy and none contains the seeds of liberty. This I did not understand in the years when I was pro-Soviet. I believed that a temporary suspension of freedom would enable the Soviet regime to make rapid economic strides and then restore the freedom. It has not happened. The Soviet dictatorship has been barren of groceries because because it has been barren of liberties. -- Louis Fischer.

"I was a member of the British Communist party for a few weeks during the winter of 1936 to 1937. . . . Because I do not believe that the central organization of the Communists are capable of making a classless society, or indeed of doing anything except establish the rule of a peculiarly vindictive and jealous bureaucracy, I do not feel that I should surrender my own judgment to theirs. -- Stephen Spender.