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JOSEPH FELS FUND BULLETIN

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Monthly Information for Contributors to THE FELS FUND and Single Taxers Generally

PUBLISHED BY JOSEPH FELS FUND COMMISSION

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DON'T DELAY.

We want to send THE BULLETIN to every one who wants it; but we don't want to send it to any one who don't want it. How can we tell? There is only one way: If your subscription has expired and you want the paper, you will send ten cents for renewal. If you don't want it, you won't.

SINGLE TAX ENDOWMENT CORPORATION.

Many inquiries have come to the Commission from friends planning to bequeath money to the Joseph Fels Fund. These inquirers wished information concerning legal formalities. The Commission not being an incorporated body, conformity with all legal requirements was needlessly inconvenient. So it has seemed best to form the Single Tax Endowment Corporation, controlled by the Joseph Fels Fund Commission, the object of which is to receive bequests for carrying on of single tax work. Friends who would continue to extend financial aid to the cause after they have passed away will find the means of so doing in this new corporation. Any information desired concerning it will be gladly given. It is needless to dwell on the uncertainty of life and the danger of delay in a matter of this kind. Those who are in position to bequeath money to the cause and want to render even death powerless to prevent them from aiding the movement, have now the opportunity.

THE JOSEPH FELS FUND OF AMERICA.

Extracts from Address of John T. McRoy Before
the Manhattan Single Tax Club.

I.

Advantages of the Fund.

The Joseph Fels Fund combines advantages of the highest importance in propaganda and particularly in political action, namely, an unusual financial foundation, a small and efficient governing body and mobility in campaigns. The spur of the matching of dollar for dollar has manifestly increased the amount of money that has been raised for single tax. It has brought forth contributions more abundantly from the average single taxer and the duplication of this more abundant amount makes it superior as a money raiser to any previous set of activities. So far from its having diminished the amount contributed to local clubs, these seem, if anything, to have increased both in number and usefulness during the last five years. * * * The aggregate of contributions is increased by attractive and successful uses of former contributions. It is increased by systematic collection; it is augmented by skillful appeals. Most of all, it is added to, because one dollar now counts for two, owing to Joseph Fels. Since, therefore, the amount can thus be increased, it does not logically follow that a greater number of organizations mean less money to each. * * *

II.

The Pauperization Objection

It is said that the Fels contribution pauperizes our movement, and so grand a movement as our own must be on its guard against having its moral fibre weakened. WE should support OUR activities and not be pulled by leading strings to hand over our pennies. * * * Now I admit the wisdom of the principle that a movement should support itself. I also maintain as a corollary of this, that every individual in that movement should contribute as much as his means permit to the encouragement of that movement. Therefore it follows that Joseph Fels was, by the very logic that a movement should support itself, required to contribute much more than any poorer man in our cause. And if, by judicious distribution of his money be increased the moral fibre of single taxers by waking them up to the necessity of more largely helping the cause, is not this to be applauded? * * * The argument against pauperization certainly leads to nothing short of the pauperism of our movement. After all, *which is better, a "pauperized" movement that emancipates a people, or a pauperized people waiting for emancipation?*

III.

Efficient Management.

The second great advantage of the Joseph Fels Fund is "the commission form of government." It enables us to act rapidly without endless wranglings. Macaulay said that an army commanded by a debating club never triumphs, and for practical purposes, neither can a movement. * * * A council of war commands and we rush to the firing line; if we fail—well, we would certainly have achieved nothing if we sat all day listening to the councils of the orators of the movement. * * * The greatest service, then, that the Joseph Fels Fund has rendered is political action. It finances those states in which the soil is prepared for single tax and brings forth the results of the years of propaganda. * * * Those who heard the discussion at the Washington conference will remember that the fact was emphasized that success in one state would do more for our propaganda than years of talk. * * * Since it is possible to obtain a large measure of single tax quite soon, in the Western States, which will force its enactment elsewhere, it is folly to dribble away money in a scattered fashion all over the Union. * * *

IV.

Initiative and Referendum.

The battle for direct legislation was a consummate piece of political action on the part of the Joseph Fels Fund. To those who object to political strategy there is one question to put. *Which is better, to attack the prejudices of men and leave them in poverty, or destroy the poverty of men, using their prejudices?* The abolition of poverty will of itself remove more prejudice than will intellectual appeal today. * * * Those men are consistent whose every campaign is planned to most surely and swiftly obtain the ends they seek. No one * * * is inconsistent who fights to remove legal obstructions, and minimizes the prejudices against our views. Both those bar-

RENEWALS.

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riers must be removed or we make no progress. He is far more consistent than another who preaches nothing but the true doctrine under all barriers, counter to all prejudices, even though it cause a reaction against him. To directly fly in the face of an enemy is not any more "consistent" with the ends of an army than a flank movement. It is all a matter of utility—whatever works best is best. * * *

V.

Should All Pull Together.

Finally, I firmly believe that whatever mistakes may have been made in the past the Joseph Fels Fund deserves right royal support in the tremendous campaigns of this year. Year by year we see more and more of the dawn. The 1914 elections in Colorado and California are of the greatest importance to us. Our success would mean that we have secured our first big triumphs in the United States. He must indeed be petty who would let personal spite or mere sulkiness, prevent him from aiding the Joseph Fels Fund this year.

Those who have been personally offended at anything the Commission has done or said should remember that after the first passage at arms, we defend not our doctrines but ourselves. Weighed in the balance, the Joseph Fels Fund has done infinite good and little harm, has shown much wisdom and few errors; has, in short, well fulfilled its mission. To minutely look at the specks is to forget the ripeness of the apple and a true understanding of the Fund will come from

"Being to its virtues very kind
And to its faults a little blind."

CALIFORNIA'S OPPORTUNITY.

That the solution of the labor question in California can be hastened by adoption of the pending Home Rule in Taxation amendment was shown by Paul Scharrenberg, secretary of the State Commission on Immigration and Housing, in his report on the rioting at Wheatland in connection with the hop pickers strike. After speaking of the terrible conditions found to exist and noting the fact that a little advertising brought a surplus of labor to Wheatland, Mr. Scharrenberg says:

It may be readily admitted that California can support many times her present population but it is plain that something must be done to enable the men with small means to "get on the land." And in order to do this effectively something must be done to deal with those who "hold large areas of land for purely speculative purposes."

To me it appears that the problem of the migratory and seasonal workers is inseparably linked with the fact that of idle land. I therefore take this opportunity to call attention to Assembly Constitutional Amendment No. 7, now pending before the people of California. This measure, if adopted at the November election, will help immeasurably to put to use the idle land of the State. When we shall have done this—when we shall have attacked land monopoly—we will have attacked at its source the evil which has created the problem, not only of our migratory and seasonal workers, but of all other classes of labor.

CALIFORNIA'S DUTY.

California has had cause enough to adopt the pending Home Rule in Taxation amendment by an overwhelming majority. But now, Federal Judge Maurice T. Doelling has added to the reasons. He has just rendered a decision which turns over to the Standard Oil Company three million acres of oil lands which should never have passed out of possession of the people. The adoption of the Home Rule in Taxation amendment will make it possible for the voters of the counties in which these oil lands are located to force the Standard Oil Company to let go.

OF COURSE, AN OVERSIGHT MERELY.

The National Tax Conference, which meets in September at Denver, will hear about Vancouver's tax system. It has placed on its program F. C. Wade, K. C. of that city. Mr. Wade is a bitter opponent of the Vancouver system. No resident of Vancouver has been put on the program who favors the existing system.

STILL SUFFOCATING THE INFANTS.

The hot wave is resulting in the usual harvest of infant mortality in the tenement districts. Especially is this the case in New York's East Side. These babies had no voice in electing the ignorant—or worse—legislators who defeated the bill of the Lower Rents Society to reduce taxes on buildings and relieve congestion. Neither are they members of the Allied Real Estate Interests which got the legislators to defeat the bill. But the poor innocents must suffer the consequences just the same. Legislators and Allied Real Estate members do not have to live in stifling tenements. It is not their babies that suffocate in congested quarters. They feel sorry for the babies that die, of course. But they would feel more sorry to lose a small part of the gain that land monopoly brings them. So they will continue to oppose such measures as the Herrick-Schaap bill—and continue to weep, perhaps, over the infant victims of their policy.

HOUSTON TEACHES NEW YORK CITY.

In fighting the movement to relieve congestion of population in New York City through untaxing of improvements, Mr. Allan Robinson, president of the Allied Real Estate Interests, saw fit to publish in the Wall Street Journal statements disputing the effect of a similar policy in Houston, Texas. He did not help his case by so doing, for Tax Commissioner J. J. Pastoriza published in reply the facts concerning Houston. Mr. Pastoriza showed that without figuring increase from annexation of suburbs, the population of Houston has increased 25,000 in two years. He showed that Mr. Robinson erred in denying Houston's building permits for the first six months of 1913 to have been greater by 55 per cent than for the same period of 1911. Mr. Pastoriza produced the official figures which showed an increase of over 66 per cent. Mr. Robinson had claimed that there had been but a small increase in Houston's bank deposits and that the banks of Dallas made a better showing. Mr. Pastoriza produced figures which showed a large increase in deposits and also that while Dallas, a larger city and the center of a richer country, should have larger deposits than Houston, yet she has not. Mr. Robinson had argued from the statements of Houston's handful of objecting land speculators that the people of Houston must be opposed to the Houston plan. Mr. Pastoriza enlightened him concerning the identity of these objectors.

Mr. Pastoriza also made very clear that one effect of the Houston plan has been to lower house rent, the very thing needed in New York City to lessen congestion of population. Says Mr. Pastoriza:

The exemption of buildings from taxation to the amount of seventy-five per cent of their value has had the effect to lower house rents, which is only another way of saying that it has raised wages. The following is a short list of houses (there are many more) showing the amount of reduction in rent since the Houston Plan of Taxation has been in existence. The plan has caused many new houses to be erected, thus creating competition and changing the condition which existed before the Houston Plan of Taxation was inaugurated. Before that time there were two or three tenants for every house that was newly built; as a result house rent jumped to the skies. Now there is never more than one tenant after a house when it is completed, and sometimes not that. The result is that the owners of houses, being anxious to rent, have reduced the rent until the revenue derived from improved property does not exceed very much the interest which you can get for money in the open market. I will ask if this is not a good thing for the people of our city?

SIGNS OF PROGRESS.

The Democrats of Maine have declared for "such changes as will place the burden of taxation where it justly belongs, in accordance with present day progressive methods being adopted in many states. * * * That various suggestions along the line of taxation may be given opportunity for experimental test, we favor the extension of the principle of home rule by an amendment

of the constitution which shall permit to towns and cities home rule in taxation.

The California pending Home Rule in Taxation amendment has been endorsed so far by more than twenty-five city councils.

In an interview in the New York Times of May 15, Premier Sifton of Alberta says:

" Alberta is growing rapidly. The towns are spreading out at a rate which some think is a little too fast. One of the things a new country wants to avoid, if possible, is too rapid growth of its towns. But we have not had a real estate collapse in Alberta. Prices have not gone down. There has been merely a cessation of speculative sales. I do not think any good property could be bought for less than it brought in the midst of what has been referred to as 'the boom,' but land is not selling except for use. . . . Americans are going to Alberta from the Dakotas and Minnesota and we are getting some from Illinois and Indiana. We welcome them, as the bulk of them make as good settlers as any in the world. Most of them have families, and want more land for their sons, so that they sell out their land in the States at a good price, and buy three or four times as much over the border. What I have said about American settlers does not necessarily apply to those who go to the towns. They are apt to go back, or to go further on. We have not gone in for woman suffrage in Alberta, but we have the single tax, and it is working out well. The bulk of our towns have had it a number of years. Calgary and one or two others had special charters, and have only lately begun to adopt it in principle. In Edmonton the total tax is 2 per cent of the value of land. There is no local government direct tax in Alberta. We get a grant from the Federal Government. That is to say, we receive out of the Federal revenues a sum in proportion to our population. This pays about half of the expenses of our local government. The rest comes from licenses and similar sources.

The City Council of Cleveland is considering an ordinance requiring the city, when opening a street, to condemn adjoining property so that the city may get the benefit of increase in values created by the improvement.

South American countries are beginning to use the tax weapon against land monopoly. The Parliament of Paraguay has passed a graduated land value tax bill, in which the rates vary from \$2 per \$1,000 to \$9 per \$1,000. There is, in addition, a surtax on uncultivated land which in some cases will be as high as 40 per cent. In the Brazilian State of Rio Grande de Sul, a land value tax for state purposes has just been decided upon. The Department of Montevideo in Uruguay is endeavoring to secure permission from the Uruguayan Parliament to raise local revenue through the single tax. The Governor of the Argentine province of Cordoba is trying to get a similar measure for his province. The last election in Argentina resulted in sending a large delegation of advocates of land value taxation into Parliament.

The Progressive party convention of York County, Nebraska, declared for municipal home rule in taxation and for "shifting of the burden of land taxation upon the unearned rise in the value of land itself, rather than upon improvements."

RING STATES THE CASE PLAINLY ONCE MORE.

About thirty millionaire land speculators of Houston have formed a tax payers association and threatened through one H. F. Cohen, to go into court and force the city to tax improvements at full value. Noticing that they had conveniently forgotten the law about taxation of personal property, Mr. H. F. Ring, one of the best lawyers of Texas, has announced his determination to supplement the speculators' efforts. Mr. Ring's letter to the Mayor and Council is a gem, but is too long for entire reproduction. After calling attention of Council to the fact that the law

requires taxation of bank deposits and other moneys and credits, he says:

This protestant asserts that the silly contention that to tax cash on hand with impartiality would cause the withdrawal of bank deposits, the forced calling in of loans, the derangement of business and the destruction of business men, is unworthy of serious consideration. Few people so fortunate as to have money in bank on the first day of January of any year would object to the giving of 1 or 2 per cent of it for the support of the city government. And equally absurd are the vapors of single tax cranks to the effect that a systematic effort to tax credits—money loans—amounts to double taxation. * * * That, of course is absurd. And the same is true also as to the most brazen claim of all made by these pestiferous malcontents, that a tax on any kind of property produced by human industry increases its cost, and in the long run is passed on to the user or the consumer in the increased price of the thing used or consumed, no matter how poor the user or consumer may be. While to assert that an earnest attempt to enforce the collection of taxes on credits and personal property would make liars and perjurers of 99 out of every 100 of our citizens if compelled, as the law requires, to swear to their assessment rolls, is equally preposterous. No gentleman, especially if a member of the Tax Kickers' Association, would ever stoop to such a thing as lying when it came to listing for taxation all his personal property and "credits" at the full market value of same. He would do it cheerfully, of course, because he wants your Honorable Body to insist on obedience to every provision of the law relating to taxation. * * *

Mr. Ring then insists that all mercantile and manufacturing stocks and all household goods be taxed. He says:

That the fact that it is greatly to the interest of the city of Houston to encourage the coming here of manufacturing and wholesale and retail merchants by assessing as low as possible the wealth used by them in employing labor and making the city great and prosperous and thereby adding enormous values to vacant lots and lands often owned by individuals who do nothing with their idle holdings except to extort all the purchase money possible from those who would improve and make them useful to mankind, is no excuse for such an unlawful discrimination in the assessed valuation of property produced by human labor as compared with the assessed valuation of property which is the gift of nature. This is the case even though such discrimination may be for the true interest of land owners generally, including even dogs in the manger, who will neither sell nor improve, but whose holdings are greatly enhanced in value by the growth and prosperity of the city.

Concerning household goods, he says:

A house to house visitation by properly authorized city officials, at a comparatively trifling expense, would disclose the fact that in the 20,000 or more homes of this city there are at least \$10,000,000 worth of property of this character subject to taxation, according to the constitution and laws of the State of Texas, and the ordinances of the city, and that over 10,000 men and women owning small amounts of personal property subject to taxation as aforesaid, are now, in violation of law, enjoying the benefits of our glorious government without directly contributing one cent to its support. And this notwithstanding the fact that the law permits the seizure for taxes of property otherwise exempt from execution. * * *

Of general effects of the Houston system, he says:

The partial exemption of improvements from taxation results in reducing taxes on the great majority of small homesteads, since the improvement values of these homesteads largely exceed the land values, thus making it easier for poor people to acquire homes and hold on to them. * * * And this protestant avers that any system of taxation which thus favors the poorer classes, to the pecuniary loss of a few individuals of the richer classes, is gross discrimination and class legislation of the worst kind and should never be tolerated. Tax discriminations favoring the rich are bad enough, but those which favor the poor are intolerable.

He further shows that the system has encouraged

building and reduced rents so that renters get the benefit, and that the plan is likely to spread so

That it will ultimately render it more difficult for those engaged in said vacant lot industry to appropriate for their own use and benefit all the unearned increase in land values, as has been the case in the past. This is likely to prevent your protestant and the few hundred owners of large tracts of vacant land and valuable unimproved lots in the city from making as much profit from increase in land values as would otherwise be the case.

Mr. Ring has simply pursued to their logical conclusion the arguments of the opponents of the Houston system. The blind Bourbons trying to overthrow that system are doing more than any agitators to hasten the complete adoption of the single tax.

A TRIBUTE TO JOSEPH FELS.

In sending the amount of his annual pledge, together with an equal sum in addition "in memory of Joseph Fels," John H. Allen of New York, says:

Joseph Fels has done his share—he has done more than that—and we must all do ours for the great cause of single tax that means so much for humanity. However, I am of the opinion that many conversions (for such it is), are the result of individual work on the individual and this is a never-ceasing energy, never tiring.

ONE MEANS OF PROPAGANDA.

Scattered throughout the country are many tax assessors who are single taxers. The opportunity given these for propaganda is well shown by the following from H. Bieder of Cleveland:

Ever since I have been tax assessor I have talked single tax, but my conscience does not trouble me, because I told everyone I talked with to make a complaint to my superiors if so inclined and get me fired. None of them did and so next week I shall be done with my work and go at something else. There is more single tax sentiment abroad than some people try to make you believe, and if we are wise, we shall take advantage of the kicking people will do, when it comes tax-paying time. When I am free once more I shall see what can be done here in the way of propaganda work."

TAFT, THE CONFISCATIONIST.

Charles P. Taft, brother of the ex-president, is the latest addition to the ranks of advocates of land confiscation. In his paper, *The Cincinnati Times-Star* of June 1, Mr. Taft tries, in a leading editorial, to justify confiscation. He points as an example to the way land was taken from the Indians and how it was taken by this country from Mexico and Spain. Says Mr. Taft:

We have condemned the Indian to a life of inaction in cramped reservations, where he falls an easy prey to consumption and other terrible diseases. But did you ever hear of anybody seriously proposing an apology to the Red Man or a return to him of any stolen land?

In regard to the land taken from Mexico, Mr. Taft says:

Can any human being in his right mind doubt that that territory has been more useful to humanity under the Stars and Stripes these past sixty years than if it had been allowed to stagnate under the conditions that have prevailed south of the international border?

It is startling that so strong a conservative as Mr. Taft should thus justify land confiscation when confiscation will make the land more useful to humanity than when allowed to stagnate under the conditions which its owners allow to prevail thereon. When one notes the vacant and partially improved city lots, unused mining lands and land held for speculation in rural districts which can be made "more useful to humanity" than if "allowed to stagnate" as at present, the revolutionary nature of Mr. Taft's proposal becomes manifest.

It is clear that an injustice has been done Mr. Taft in attributing his bitter opposition to the single tax to the fact that he is a beneficiary of existing monopolistic conditions. In the light of these recent editorial expressions

it seems that his real reason for opposing the single tax is because it will shut out such ideas as he proposes.

It would be interesting to know whether his distinguished brother shares his views on confiscation, and whether Mr. Taft will use his influence to secure an endorsement by the Republican party of his confiscation doctrines.

NATIONAL CONFERENCE ON CHARITIES MAKES PROGRESS.

When the convention of the National Conference on Charities met at Memphis on May 12, the following letter from Mrs. Fels was put in the hands of every delegate:

PHILADELPHIA, May 6, 1914.

Dear Sir—When the National Conference of Charities and Corrections was held in 1911 in Boston, Joseph Fels addressed a letter to the members in which he offered the following suggestion:

"If it is a fact that charity workers are anxious to learn how to remove the cause of poverty, would it be unreasonable to ask this conference to take some action in the matter? Why not, for instance, appoint a committee to report to your next meeting, the duty of this committee to be a thorough investigation of the merits of different proposed plans to put an end to poverty? The details of this investigation must, of course, be so arranged that nothing concerning any proposed remedy may be misunderstood. The personnel of the committee must also be such that there will be no ground for lack of confidence in its fairness or intelligence on the part of those who have remedies to suggest. Should this meet with your approval, I will be glad to do what I can to furnish the committee with information, and feel sure that other single taxers as well as advocates of other reforms will do the same. Your organization will then be in a position at your next meeting to take definite action in the war against poverty."

Had this suggestion been acted upon, fundamental study and discussion of the poverty problem would have been wonderfully stimulated during the past three years, and the abolition of poverty would have been hastened.

The neglect of that conference to take action has, to some extent at least, prolonged the existence of poverty and all the evils resulting therefrom. Whatever the reasons may have been which influenced the delegates to disregard Mr. Fels' suggestion, they could surely not have been more weighty than the need of putting an end to poverty. I can not but believe that the delegates failed to consider this and did not intentionally and deliberately give lesser matters the greater consideration.

The opportunity is in the grasp of this conference to greatly exceed its predecessors in service to humanity. To take advantage of this opportunity it must not allow things of smaller importance to have preference over doing what it can to help in bringing about the abolition of poverty. That this opportunity will not be passed by is my earnest hope.

Yours truly,

MARY FELS.

(MRS. JOSEPH FELS.)

The opportunity to which Mrs. Fels referred was grasped by the conference. It appointed a committee as suggested. The committee will investigate (1) Taxation reform as it relates to congestion and poverty; (2) Social insurance. The chairman of the committee is Prof. Henry R. Seager, of Columbia University; the other members are: John R. Commons, vice-chairman, Madison, Wis.; Roger Baldwin, St. Louis, Mo.; Frederick L. Hoffman, Newark, N. J.; Louis D. Brandeis, Boston, Mass.; John B. Andrews, New York City; Mrs. Florence Kelley, New York City; Rev. Harry F. Ward, Oak Park, Ill.; Rev. Edwin V. O'Hara, Portland, Ore.; Benjamin C. Marsh, New York City; Alexander Johnson, Vineland, N. J.; James Mullenbach, Chicago, Ill.; John Mitchell, New York City; John H. Ferguson, Baltimore, Md.; Jean Gordon, New Orleans, La.; Chas. P. Neill, N. Y.

Among those present at the conference who did much to bring about this progressive step were Ben C. Marsh, of New York; Judge A. B. Pittman, Alexander Y. Scott, R. Gratz Brown, and Bolton Smith, of Memphis; Alexander Johnson, of Vineland, N. J., and others. Now that the charity organizations have taken the first official step to get at the fundamental causes of poverty, there seems good reason to look for further progress.