

After the War, What?



Homes or Hovels?
Garden Cities or Slums?
Freedom or Dictatorship?



An alternative to Homo the Sap's Permanent War

After the War, What?

Work or Want?

Homes or Hovels?

Garden Cities or Slums?

Freedom or Dictatorship?



Price 25 Cents

Published by the
SCHOOL OF ECONOMIC SCIENCE, INCORPORATED
991 Bay Street, Toronto 5, Ontario *Canada*

Your First Step

Whoever, laying aside prejudice and self-interest, will honestly and carefully make up his own mind as to the causes and the cure of the social evils that are so apparent, does, in that, the most important thing in his power toward their removal. The primary obligation devolves upon us individually as citizens and as men. Whatever else we do, this must come first. For "if the blind lead the blind, they both shall fall into the ditch."

Social reform is not to be secured by noise and shouting; by complaints and denunciation; by the formation of parties, or the making of revolutions; but by the awakening of thought and the progress of ideas. Until there be correct thought, there cannot be right action; and when there is correct thought, right action *will* follow. Power is always in the hands of the masses of men. What oppresses the masses is their own ignorance, their own shortsighted-selfishness.

—Henry George, in the concluding chapter of
SOCIAL PROBLEMS.

After the War, What?

Will the peace following the defeat of the Axis powers result in unemployment, low wages and hard times?

At present our workers are fully employed. But a great part of this employment results from public borrowings and expenditures on a scale never before believed possible. Soon after the end of the war our statesmen must stop adding to the public debt. Expenditures must be drastically reduced.

Some war industries will quickly be converted to peace-time production, but many will close. Before many years we shall be back on an everyday basis, with such funds as returned soldiers' allowances and compulsory savings mostly spent. Industry and business will be feeling the pressure of taxation at a level never experienced before the war: taxation high enough to provide for the immense public debt and for the increased social services recently announced.

We must not forget that we on this continent *did* suffer grievously from unemployment and privation during the ten years preceding the war—as did the people of every other country in which the government pursued economic policies similar to those of Canada and the United States. At one time *more than two in five* of our industrial workers were deprived of their natural right to earn a living.

The policies which inflicted this wrong upon them have not been changed in any material way. Nor is there any clear prospect of such a change.

*We shall again suffer from the evils we experienced in 1933 in an aggravated form—unless the policies which inflicted these evils upon us are abandoned.**

*A number of economists have independently predicted a serious depression, to reach its worst point between six and ten years after the end of the war. Some important corporations are already making plans to cope with such a depression.

The exact nature of these policies will be made clear in the following pages. It will also be shown how the recent increase in our productive power may be used to give the mass of our people incomes *more than double* the best they have hitherto enjoyed.

STATE CONTROL OF INDUSTRY NOT NECESSARY

For our workers to have full employment under just conditions it is *not* necessary that we adopt any socialistic schemes for State control of industry. Rather should we abolish many restrictions which are now doing harm.

It is necessary that we make a fundamental change in our system of taxation.

At present a great part of our public revenue is raised in ways which defy the principles of justice made clear in the Old Testament, and recognized in private dealings by all decent men whether or not they adhere to the Christian or Jewish religion.

The result is such a bedevilment of our whole economic system that the people who do most of the hard and dirty work on which our civilization rests have never got enough of the product of their labor to live in decency. Seldom have so many as a third of our working-class families enjoyed incomes equivalent to that which the Toronto Welfare Council of 1939 declared to be the minimum necessary for health and self-respect.

On the other hand, many large incomes are received by persons who have never contributed in any way to production, or to the general welfare. Some of the largest have been acquired by monopolistic practices which seriously hamper production. A sound taxation system would make most of these practices unprofitable.

A system which is morally wrong cannot be economically right. Hence these injustices result in colossal wastes. Waste of great areas of the best land, held idle for trivial reasons or on speculation. Waste of the labor power of men unemployed, or working at a disadvantage on inferior locations. Waste of the lives—in Canada alone more than 25,000 annually—of those who die prematurely on account of bad living conditions.

We have freed the negroes from chattel slavery only to find that we have still to free negroes and whites from the industrial slavery consequent on the abuses of taxation and land tenure. It is these abuses which are making men despair of the future of

democracy and advocate compulsory state control of all industry. They are seeking to cure the ills resulting from a wrong system of taxation and from state interference with industry by intensifying the very things which cause them.

SOURCES OF INCOME

All income, public or private, must come out of production. The two primary factors in production are, workers and land. Human beings must apply their labor to land and materials derived from land to make the things necessary for our existence and comfort. They must also have possession of a suitable location while they are doing so.

Under primitive conditions workers enjoyed equal rights over land. The reward of their labor was the whole product. This reward economists call *wages*.

Now that productive land has been reduced to private possession, before workers can apply their labor to land they must obtain permission from the holder, who demands a part of the product. This part economists call *rent*. What is left is then the workers' wages. The greater is the first part, the less is the second.

It makes a tremendous difference whether taxes are levied upon *rent* on the one hand, or upon *wages* on the other.

THE NATURE OF RENT

There is always some land which may be used without payment of rent, or on payment of a nominal rent. This is land on which even a good workman finds it difficult to make a living at all. Usually it is remote from markets and from public services of all kinds.

The rent of more productive land is the measure of the advantage it has over rent-free land. This advantage is mainly a matter of more central location with respect to a fairly dense population, giving the maximum advantage from trade and all other forms of cooperation. The most fertile farm land remote from roads and other public services will rent for little or nothing; land on the outskirts of a city may rent for ten dollars an acre or more. The most desirable locations are always associated with the most costly public services: services which are made necessary by density of population and which make this density possible. Central

business sites in several large cities have rented for a million dollars per acre annually.

It can therefore be clearly seen, that the rent of land is a social product. The reward of individual effort is wages. The reward of social effort is rent. *Rent is the wages of the community.*

The *site value* of land is the selling price of the title holder's interest in the land itself, apart from any improvements in or on it. This selling price depends upon the rent, and upon any taxes imposed upon the land. Where land is untaxed, the selling price is the rent capitalized at the current rate of interest: with interest at five per cent, land yielding \$1,000 per year will sell for \$20,000. Where land is taxed, the selling price is in proportion to the amount of rent left to the holder after payment of the land tax.* As James R. Brown of New York used to say, "The selling price of land is the capitalized value of the public services which the holder receives but does not pay for."

The value of land is fundamentally a people's value. If for any reason most or all of the people of one of our cities were to leave, the land would be worth little or nothing, in spite of the public improvements remaining.† But if they migrated to another city, they would soon add a corresponding amount to the site value of the new location. Even the value of mineral deposits depends to a great extent upon their proximity to centres of population, and the nature of the communications.

Rent increases with increase of population, with improvement in methods of production, and with increase in public services. In densely settled communities, as in many parts of Europe, one-half the product is almost a standard rent. From many countries cases of rent taking two-thirds and more of the product are reported.‡ The more advanced the civilization, the greater the part of the product which goes to rent, the product of social effort, and the less the part which goes to wages, the reward for individual effort.

*Taxes upon buildings, etc., have only an indirect effect upon the selling price of land. The importance of this effect will be shown later.

†When the Dominion Government removed several hundred miners from the gold mines at Kirkland Lake to nickel mines elsewhere, land-holders in Kirkland Lake petitioned the Government to send soldiers' families to Kirkland Lake "to prevent collapse of real estate values."

‡Henry George cites a case in which, as far back as 1855, rent took more than 95 per cent of the product. See "Protection or Free Trade", Schalkenbach Edition, page 178.

The rent of land being a social product, greatly dependent upon public expenditures, it is natural and right that it be collected for public revenue.*

The whole standard of life of the community depends upon the use made of land. To obtain the best use of land it is necessary that the user be protected in his use, allowed to keep all products of his industry without public or private spoliation. It is also necessary that the rent be collected for public use, to prevent land speculation and monopoly.

NEGLECTING TO COLLECT RENT FOR REVENUE CREATES SOCIAL EVILS

The neglect of the government to collect more than a small proportion of rent has three evil consequences:—

In the first place, it necessitates unnatural forms of taxation. Instead of protecting the rights of the producer, the government itself acts as despoiler. It imposes taxes upon production and exchange, taxes which are added to the price of things and pyramided with every transfer until people are unable to purchase the things produced and production is hamstrung.† This is one of the main causes of depressions and unemployment.

*Collecting the rent of land for public use simply amounts to enforcing a claim recognized by all legal authorities, for instance:—

"The earth, therefore, and all things therein, are an immediate gift from the Creator to all mankind in general, *not to any one man in particular.*"
—W. E. Lear, in "Ontario Land Laws".

"The people of this State are deemed to possess the original property in and to all the lands within the jurisdiction of this State".—Constitution of the State of New York, Art. 1, Sec. 10.

The Land laws of the Old Testament enforced reasonably equitable rights to land through physical division in such a way that every child was born heir to a plot of land, which could not be sold. See particularly the 25th chapter of Leviticus. Collecting rent for public use reaches the same end more simply and efficiently, under present conditions.

†In 1938 the California Taxpayers' Association estimated that 148 taxes were included in the price of a pair of overalls, 154 in that of a bar of soap, and larger numbers in the prices of several other commodities.

In the second place, neglecting the public collection of rent allows and encourages a great waste of productive power through forcing labor to use inferior land. In many cases workers find no available land on which they may earn a subsistence wage and so are idle for months or years.* This is the second and more important of the two main causes of unemployment.†

In the third place, neglecting to collect the rent of land allows the holder or so-called "owner" to collect an income for which he does not work. In general, these incomes are purchasable. Those who receive them are the better able to buy title to more and more rent-producing land. Thus differences in income tend to increase until society is divided into two classes—those who live by their labor and receive a bare subsistence, and those who live parasitically on the labor of others. The former class are stultified; the latter become a grave menace to the nation.‡

WHY INCREASE IN PRODUCTIVITY FAILS TO BENEFIT WORKERS

In 1801 seed was sown and sheaves tied by hand. Almost all commodities were literally manufactured, made laboriously one by one. The steam engine was in its infancy and most modern inventions were still undreamed of. Yet the workers of that time supported themselves, the government, the Church, the poor and a class of idle landholders. And indeed, according to Professor

*Capital is also wasted. For the place of capital in production, see page 15.

†These two causes are basically one. Other causes are of minor importance and can easily be dealt with when the basic cause is abolished. Defects in our monetary system aggravate the fluctuations in unemployment, but have comparatively little effect upon the total of unemployment.

‡Inheritance taxes, which in some cases have confiscated entire estates, have been justified on the ground that they check the growth of such a class. Collecting the rent of land, by removing the source of such growth, accomplishes the same end in a manner much more just and efficient.

Thorold Rogers,* during the latter half of the fifteenth century the ordinary agricultural laborer in England could support a family of five in comfort by working eight hours a day for three days a week. Artisans were proportionately better off.

By 1900, according to statistics of the U. S. Labor Department, the productive power of labor in industry had increased 28 times.† Since then, inventions and discoveries in common use have increased this productive power to at least 50 times that of 1801. Whatever allowance may be made for occupations—mostly forms of personal service—in which there has been little improvement, or for the greater number of workers who must devote their efforts to commerce, it is plain that our productive power, in proportion to population, is many times greater than in 1801. To say it is ten times greater would be an understatement. The government, the Church, the poor and the idle landholders are still dependent upon the workers for their support, and if their exactions had increased only in proportion to the increase in productive power, *and if wastes had not disproportionately increased*, wages would average more than ten times what they were in 1801.

During this period the rate of interest, the share paid to capital, has fallen one-half.‡ Wages have increased but slightly

*James Edwin Thorold Rogers was Professor of Political Economy in Oxford University from 1862 to 1868, failed of re-election in 1868 on account of his "radical" views, but was reinstated in 1888, when the soundness of his work could no longer be denied. He was Member of Parliament from 1880 to 1886. His great work "Six Centuries of Work and Wages" is founded upon thousands of old records and statements preserved in state, university and municipal archives in England and is regarded as absolutely authoritative.

†Wayne W. Parrish says (New Outlook for November 1932) "The brick-makers for over five thousand years never attained on the average more than 450 bricks per day per man—a day being over ten hours. A modern straightline continuous brick plant will produce 400,000 bricks a day per man . . . In pig iron production, one man working one hour can do what it took him 650 hours to accomplish fifty years ago."

‡Marx claims that while the rate of interest has fallen, on account of the greater *quantity* of capital in use the share of capital in the product tends constantly to increase. This is an error arising from his confusing land with capital. Isaiah Skeels gives figures (Cost and Price, Book II, Chapter 1) showing that the capital cost of goods manufactured in the United States decreased from 42 per cent in 1870 to 8 per cent in 1905. While the census reports on which this conclusion is founded are too incomplete to be altogether satisfactory, the fact of a great decrease is established.

and have decreased enormously in proportion. And the scourge of total unemployment has made the condition of the workers in recent times worse than ever before. Only extreme emergency measures, raising billions of dollars by taxes and loans for public charity on a colossal scale, have kept millions from starving outright.

WAGES DECREASE AS LAND VALUES RISE

While the proportion of the total product allotted in wages has shrunk and also the proportion which falls to the owner of capital, the case is different as regards the return to the landholder.

The site value of the City of Toronto, apart from all buildings and improvements upon it, has increased from less than one million to more than four hundred million dollars during this period. The Island of Manhattan was sold in 1626 for \$24 and the adjoining mainland was hardly thought of as having any value; the land of the City of New York was assessed at almost seven billions of dollars in 1940. Here are additional examples of increase in site values:

Winnipeg	1874	\$2,000,000	1936	\$72,274,000
Vancouver	1867	\$3,456,000	1936	\$136,000,000
Cleveland	1867	\$17,252,705	1936	\$364,068,000

These values mean that the holders of these city lands are allowed by law to collect from those who live and work upon them, rent calculated as interest on these enormous sums. For land or site value is simply the rent (over and above taxes on the land) capitalized at the current rate of interest.

WHY MACHINES HAVE NOT REDUCED PRICES

It has been taught that the use of machinery, by decreasing labor costs, has reduced prices. This is true enough of such commodities as matches and safety razor blades; but whether or not it was ever true of staples, it is not true today.

According to the U. S. Bureau of Labor Statistics, the price of agricultural products was 67% higher in 1907, and 95% higher in 1928, than in 1807. When bricks were made by hand they cost \$3.50 per thousand; today they are made by machinery and cost about \$20.00. In spite of improvements in mining and transportation the price of anthracite coal has tripled in the last 50 years. Mr. E. O. Jorgensen, who has made an exhaustive study of

these statistics, says:—"In spite of the fact that the power of labor and capital to produce goods has been advancing faster and faster, the average price of these goods is no lower today than it was in the days of the ox cart and the spinning wheel."*

These things did not "just happen". They are the inevitable result of allowing individuals to obtain a revenue from the mere *holding* of land apart from its *use* by them, instead of the government as the representative of the people collecting this rent as the natural and legitimate revenue for public purposes. This abuse imposes a *triple burden* upon the workers at every stage of production:—the burden of paying land rent to non-producers; the burden of multitudinous taxes, many of which cost several times as much to collect as they return to the public treasury;† and the burden of being compelled to use inferior land while better land is held idle on speculation.

SURPLUS GOODS NOT THE CAUSE OF UNEMPLOYMENT

According to a report of the Brookings Institute, the total income of the United States in 1929, the year of greatest production before the present war, if equally divided among the whole population would have given only \$665 to each. To give every one the minimum necessary for health and comfort, production would have had to be increased by at least 70%. Remembering that there are in the United States hundreds of thousands of persons receiving \$5,000 a year and more, one sees how terribly deficient are the incomes of the mass of the people.‡ By 1933 production had fallen almost one-half, stocks of goods were depleted; but unemployment was at an all-time maximum. Instead of taking reasonable measures to correct this condition the government made huge increases in penalties in the form of taxes on every enterprise which gave

*"The Stagnation of Industry", page 57.

†Many cases have come to light in which costs of collection have exceeded the gross tax, so that the Treasury would have been immediately better off by abolishing the tax.

‡In Canada per capita production was estimated by the Bureau of Statistics at \$393 in 1929 and \$193 in 1933. Since "income" includes much in the way of personal service as well as commodities, this corresponds to a per capita income of \$629 in 1929 and \$309 in 1933. There were in Canada 35,975 incomes of \$5,000 and over in 1929, and 31,234 in 1933.

employment or performed useful work. By thus interfering with the natural economic forces which tend in such cases to restore more normal conditions the government prolonged the depression until the outbreak of war.

It is never the superfluity of goods which causes unemployment, but always the penalizing of production by taxes, together with the holding idle of productive land.

TAXES ON BUILDINGS PENALIZE EMPLOYMENT

Directly or indirectly, to a greater or less extent almost all employment depends upon the erection of buildings. Without buildings there can be little use of machinery, no demand for furnishings of all sorts. Yet the erection of buildings is so penalized by taxation that the building trades are usually the most severely hit by depression. In Toronto a tax rate of $3\frac{1}{2}$ per cent on the assessed value of buildings has been exceeded in several years. Such taxation is equivalent to a 5% prior first mortgage of 70% of the assessed value. If this building is used as a factory for the employment of labor, a so-called "Business tax" is added, increasing the mortgage to 105% of the assessed value.

This confiscation has not only brought building almost to a standstill but has induced owners of substantial and still useful buildings to demolish them to avoid taxation. The result has been such a lessening of demand for building sites that there has been for the time being a reduction of land values, which in turn has reduced the only legitimate source of public revenue.*

Flimsy and decayed buildings create much greater demands upon the public purse than do sound ones. A slum tenement compels abnormal expenditures for fire and police protection, health services, etc., expenditures several times as great as those

*In Toronto the assessment of land decreased from \$385,514,568 in 1932 to \$338,985,140 in 1941. The decrease in actual site value was undoubtedly much greater. In New York the assessment of land decreased from \$9,014,155,671 in 1932 to \$6,933,674,328 in 1940, and in the latter year, according to Mr. Lawson Purdy, Tax Commissioner of New York, N.Y., much land was greatly over-assessed. In Australia and New Zealand, on the other hand, the total site values in some 30 cities which do not tax buildings increased during the same period. It is evident that under conditions which frequently recur taxes on buildings, by lessening production and the demand for building sites, decrease site values more than do equivalent taxes on the land itself.

occasioned by a good apartment house of equal capacity.* Yet the building tax on the slum property is only a fraction of that on the apartment house. Our taxes on buildings are flagrantly unjust and a direct cause of the slums which disgrace our large cities.

FREEDOM TO PRODUCE AND EXCHANGE GOODS ESSENTIAL TO PEACE

Most pernicious of taxes are those on exchange. A savage makes everything for himself; but a civilized man specializes, produces more and better goods and exchanges with his neighbor to their mutual benefit. Sales taxes and import duties are an attack on civilization.

When a man produces something it is rightfully his. If he sells it, the money he receives should be his to spend where and as he will. If he buys something in another country, no government has any moral right to fine him for bringing his purchase home. To do so is an infringement of a fundamental human right, the right to the fruits of one's labor.

Tariffs are a direct cause of unemployment. With only the most trifling exceptions, in all countries employment increases with increase of imports, and diminishes with diminution of imports.

The removal of tariff taxes from the exchange of goods would remove barriers between nations and enable every person, wherever he may live, to share in more of the good things being produced in all lands. The people of the poorest countries can produce more of *some things* than they require. Prevented by tariffs from exchanging these things, they will not produce them and are impoverished. Given freedom, they will produce them for exchange, and be enriched.

A tariff on imports enriches a few persons at a serious cost to the rest of the people.† To fine a person for bringing good things into the country is both wrong and silly. A violation of a primary right, it is at the same time a cause of international friction and wars.

*In Cleveland, O., 1932 tax receipts from a slum area of 333 acres were \$225,035, while civic expenditures in the area were \$1,975,000—almost nine times as much.

†It is notorious that tariffs are one of the greatest causes of political corruption.

Most deadly of all taxes is the turnover tax, once seriously proposed by a Canadian Prime Minister. In the time of Philip of Spain, the autocratic Spanish government, misled by false economic theorists, resorted to this tax for the major part of its revenue. The result was such paralysis of production and exchange that people died of starvation by thousands. The people could not raise their families; and in less than a century Spain lost three-quarters of its population. It sank from the position of the richest and most powerful nation in Europe to that of one of the poorest and most impotent. When the true history of the collapse of France in 1940 comes to be written, undoubtedly there will be chapters on the impoverishing and enfeebling effect of the turnover taxes in effect during the preceding decade.

PRIVATE APPROPRIATION OF LAND RENT RESULTS IN WASTE

Besides necessitating taxes upon production and exchange, the neglect of the government to collect the rent of land acts powerfully in another way to cripple production and waste the energies of the people.

The natural tendency of rent and site values is to increase, so long as there is room for increase in population or production.* Wherever these values, created by the whole population, are monopolized by persons who do not create them, people with resources buy up titles to as much land as possible, regardless of need or their ability to use it. Much of the best land being held idle, labor is employed upon worse land; or is unemployed, or is wasted in unproductive, merely competitive selling and advertising. Industrial and commercial organizations are compelled to pay speculative prices for land; often this leads to their being starved for capital. Responsible engineers estimate the waste caused in the two ways described at from 50 to 90 per cent of the productive power of unhampered labor and capital.

Most of their productive power being unused or misused, and a great part of the actual product being taken by landholders, there is left to the workers only the minimum on which they can live. In spite of all else labor unions can do, in spite of all the present restrictive legislation, the competition of unemployed must keep

*Local decreases may occur from various causes, but general decreases are hardly possible except as a result of depressions caused by false economic policies. In the past such decreases have always been followed by increases resulting in site values higher than ever.

wages close to this minimum until land speculation is made definitely and finally unprofitable.

The wastes of land speculation are shown diagrammatically on pages 24-29.

THE PLACE OF CAPITAL IN PRODUCTION

Workers and *land* are the primary factors in production. But for efficient production the workers must use buildings, livestock, machines and stocks of goods. These things economists call *capital*. Capital is a secondary but important factor in production.

Experience shows that where workers have free access to good land, they soon provide themselves with appropriate capital, which they own individually or cooperatively. But when subject to the triple burden described on page 11, they are able to own only a small part of the needed capital. The rest they must borrow from its owners, who are mainly those who have been receiving the rent of land. These owners demand a part of the product sufficient not only for the replacement of any capital impaired or consumed, but for provision of an additional premium. This premium economists call *interest*.

The rate of interest depends upon the supply of capital, and the demand for it. But capital can be increased so much more rapidly than population that the natural tendency is for supply to outrun demand, so that interest rates fall to a very low point.

The private appropriation of rent interferes with this natural tendency. In the first place, the wastes of land speculation check the natural growth and accumulation of capital; in particular, the majority of workers, whose incomes are insufficient for health and decency, cannot acquire any. In the second, there is an inescapable relationship among the three factors of site value, the rent of land, and the rate of interest on capital.

Capital and land titles are exchangeable, either directly or through the medium of money.* Thus with capital yielding five per cent per annum, the rent of a plot of land (over and above any land tax) must be about five per cent of the site value; conversely, the site value must be about twenty times the annual net rent to the titleholder.

*This is one reason for the constant confusion of land with capital in popular thought, and even in the writings of economists, who should know better. Another is the fact mentioned, that in general capital is possessed by those who also hold land.

The owners of capital, therefore, will not increase or even maintain their capital unless assured of an income at least equal to that which they might obtain by acquiring title to rent-producing land. Capital depreciates and disappears—some forms rapidly—unless constantly reproduced; so that reduction of capital is a simple matter. For this reason the reduction of interest rates is a slow process. For the same reason taxes levied upon capital are immediately added to the price the workers must pay for its use, having the effect of taxes upon wages.

Any decrease in the rate of interest enhances the capitalized site value of land, and hence is an incentive to land speculation. The increase in speculation so caused does the workers an injury greater than the benefit they receive from the decrease in interest. Under existing economic conditions the workers are better off where interest rates are high than where they are low. Under a sound economic system interest rates would be low and the workers would reap the full benefit.

Even as things are, the capitalist as such has little power to oppress the workers. Such power as he does possess is mainly dependent upon the power to exclude the workers from land.

THE MENACE OF PRIVILEGE

The rent of land tends to increase until, in an advanced civilization, it amounts to more than half of all production.

Collecting this rent in full for the common use must equalize opportunity. Leaving it in private hands must produce great inequality; since those who receive the most rent are best able to buy title to still more land, or to acquire the less important incomes from capital investment. The result is the creation of a privileged class, who without rendering any service receive incomes many times greater than those received for the most arduous labor.

Such a privileged class becomes a menace to the nation and to the world. Having no useful function they degenerate mentally and morally. They devote such intelligence as they retain to devising forms of wasteful ostentation, and schemes for keeping the useful laboring class in such poverty and insecurity that they shall have no opportunity of escaping from their servile condition. They develop a perverted class ethical code,* in which wholesale lying and even more evil practices are regarded as wholly com-

*That of the Prussian Junkers and the Japanese "Bushido" code show remarkably close parallelism. Neither is much, if any, worse than some which have appeared in English-speaking countries.



mendable so long as they serve to uphold class privilege. In many lands they have corrupted the teachers of religion until it became an agency for the degradation instead of the uplift of humanity. Coveting ever increasing power and authority, and contemptuous of the lives of the workers, they embark upon wars.

In the past, one great nation after another has sunk into barbarism and all but died out for no other reason than the creation of a privileged class through the abuses of land tenure.

NATURAL RESOURCES BELONG TO THE PEOPLE

Harold L. Ickes, U. S. Secretary of the Interior, after investigation by his Department estimated the value of forests, farms, fisheries and city property in the United States at about \$2,000 per capita; but the potential value of known mineral deposits at over \$80,000 per capita.† The lesser resources of Canada are still greater per capita.

The proper administration of oil and mineral deposits, timber limits, water powers and similar parts of the public domain will soon provide so much revenue that with the rent of privately occupied land it will make possible the abolition of taxes upon

†American Magazine, August, 1943.

production. For the most part, these resources are not suitable for private exploitation. So far as they are, governmental authority should grant only a limited franchise on terms which will secure to citizens generally their equal rights in these resources. Otherwise, it is the duty of government to administer them in the interests of the whole nation.

Also the use of public highways, lands for the purpose of railways, electric power transmission, telegraphs and telephones—all of which require the delegation of governmental authority—should be granted only on a rental basis.

The privately operated gold mining business has taken hundreds of millions of dollars' worth of gold out of the ground without adequate compensation to the people whose heritage the ground is. Rightly handled, much revenue from it could have been used for reduction of the public debt or other constructive purpose, rather than for the creation of a few multi-millionaires.

At present many companies hold idle important resources which they have acquired, not for use, but for the sake of preventing their use by possible competitors. The charging of a sufficient rental, whether these resources are used or not, would make this abuse unprofitable.

SUMMARY

So far, we have seen:—

1. That the rent of land is the natural source of public revenue.
2. That the neglect of the government to collect this rent forces it to resort to forms of taxation which cripple industry.
3. That this neglect promotes the holding of productive land idle on speculation while labor and capital are wastefully employed upon inferior land, or are totally unemployed.
4. That these two factors, both resulting from the neglect of the government to collect rent, are the basic causes of unemployment.
5. That the resulting waste of productive power is such as to deprive the people of the benefit from invention and machine production which is their natural right.
6. That so far as this increased productive power has not been wasted, it has gone to provide great unearned incomes for unproductive landholders.

7. That these incomes are creating a non-producing privileged class, which so far from being an advantage is a deadly menace to the nation.

8. That natural resources can and should be so administered as to provide a great revenue, which with the publicly collected rent of land in private possession will remove all need for any unjust or oppressive tax.

THE REMEDY

The foregoing pages have made clear the nature of the policies which have caused and unless abandoned will cause widespread undeserved destitution and millions of unnecessary deaths on this continent. These policies constitute an economic atrocity and a moral abomination.

Since these policies are the basic cause not only of our industrial ills but of a major part of our social evils, the way to a wholesome national life lies in their reversal: — to take for the public what belongs to the public and to leave to the individual what belongs to the individual.

In Canada, fortunately, there are no constitutional obstacles in the way.*

The first thing to do is, to abolish the sales tax, and with it a great number of petty taxes which though of less importance are even more wasteful in proportion to the amount they return to the Treasury.†

*On January 27, 1944 Representative Herman P. Eberharter (Pittsburgh) introduced into the U.S. House of Representatives a Constitutional amendment sufficient to remove all such obstacles in the United States. This amendment was referred to the Committee on the Judiciary. In any given State a great deal could be effected by State action. Similarly in Canada any Province could do enough greatly to raise the living standards of its people in advance of Federal action. As shown on page 24 it would be a simple matter for the Province of Ontario to effect such an improvement in living standards as would save the lives of 5,000 citizens annually.

†It would take a large volume to show fully the wastefulness of these taxes. The cost of collection, being largely borne by private firms, does not show in public records. The revenue from them is largely illusory: if they were abolished the return from less wasteful taxes would rapidly increase.

The next thing is, to abolish the eleven per cent "exchange tax" on goods coming from the United States. If there ever was reason for this tax, it vanished with the entry of the United States into the war as our ally. At the same time, all import duties should be reduced by at least twenty per cent, as a step towards free trade (with our present allies at least) within five years.*

These reforms will promote a rapid increase in production, which will tend to increase rent and site values. Without counter-vailing measures, this increase will lead to speculation to an extent which will more than undo the beneficial effect of the reforms. With the reforms, therefore, the Dominion Government must undertake a valuation of all land in Canada privately held, and at the earliest possible time impose a tax of at least one per cent per annum on these values.† By modern scientific methods land can be appraised more cheaply and accurately than anything else subject to taxation, so that the cost will be trifling compared with that of collecting the taxes abolished; at the same time municipalities will be relieved of the cost of assessing land.

Abolishing the sales tax, etc., will tend to increase site values; the Dominion land tax, to decrease them. The net result will be no great change. Site values, however, are the value of a privilege; the existence of a privilege is incompatible with the principle of justice or with the national welfare.‡

*As regards industries now dependent upon the protective element in the tariff, it should be stated:—(1) There are few such; the helplessness of most protected industries is a pretence, designed to procure the continuance of a profitable privilege; (2) the proposed reforms will so lessen production costs as to enable most of them to compete under equitable conditions; (3) the cost of maintaining a few industries by means of subsidies will be trifling compared with the wastes of the tariff; (4) in any case the nation should not expect to maintain parasitic industries indefinitely.

†Existing assessments are worthless for the purpose. In five Provinces land is not assessed apart from buildings and improvements. In all Provinces local influences prevent the making of equitable assessments. In many important municipalities the present land assessment is less than one-fifth (in some less than one-tenth) the actual site value. In Toronto, a city with an Assessment Department better than the average, a member of the City Council once refused an offer of \$10,000 cash for a vacant site assessed at \$250.

‡In a recent case the California Supreme Court ruled that "a title deed to land is a privilege, not a property right, as against the State and its power to tax."

The land tax must therefore be increased from year to year until it takes as nearly as practicable all the rent.* The increasing revenues from it must be shared with the municipalities and the Provinces until they can abolish all existing taxes. The personal income and inheritance taxes, being the least wasteful and obstructive of taxes,† may be retained as long as necessary.

The immediate result of these measures will be a great and continued increase in production. This will create a keen demand for land, while making the holding idle of productive land more and more expensive. Speculators who are prompt in selling their holdings, or in putting them to use, will escape loss; those who persist in obstructing production will suffer a small part of the loss they have been inflicting upon the workers. The artificial deserts now surrounding our cities will be turned into gardens and airy suburbs.‡ Slum areas will be rebuilt with factories, shops and well-appointed apartment houses.

This increase in production will create a demand for capital, which will cause a temporary increase in interest rates. But capital accumulation will be so rapid that before long interest rates will fall to a new low.

Workers will be in great demand. Freed from the menace of unemployment, they will be able to demand as of right a fair share in the product. Employers, no longer harassed by tax-collectors, sure of a market for their wares, will be able to pay just wages and still have a proper reward for their managerial work.

The prices of goods will be reduced by the amount of the taxes now levied upon production and exchange. But there will be a further important reduction. The workers being well able to buy the goods produced, selling will be greatly simplified, and the

*Abstract justice demands the immediate collection of all the rent. But the complications of our land titles, mortgages, etc., furnish a strong practical reason for making the change by degrees. Ten or twelve years would give ample time for necessary readjustments.

†The land tax is a tax in form only. Essentially, it is a payment for services received or expected.

‡A partial application of the land tax principle in Sydney, N.S.W., resulted in the development of several suburbs with no more than five houses per acre, and at least one with only three.

cost of advertising and selling greatly reduced.* At the same time workers will enjoy higher wages and lower prices for the things they need.

With the reform in full effect, it will be the rule instead of a fortunate exception for the worker to own his own home. In the first place, the greatest obstacle to the would-be home owner, the speculative price demanded for a site, will be reduced to a nominal sum. In the second, the land tax, even when it equals the full rent of the land, will be less than the tax now levied on land and buildings. In the third, materials will be much cheaper. The wages of builders will be higher, but the wage cost need not be. At present union rules arising from fear of unemployment sharply restrict the output per worker in the building trades. With fear of unemployment removed, these rules will undoubtedly be modified or abolished.

Governmental expenditures will be greatly reduced. The cost of tax collection, an important item in Dominion and Provincial budgets, will be reduced to a comparative trifle. The cost of fire protection and crime prevention,† important in municipal budgets, will fall by a half or two thirds as slum areas are rebuilt. No expenditures for street extensions will be needed for a long time, not until the areas now serviced but held idle are occupied. The need for unemployment relief will vanish. Better living conditions will result in such improvement in the public health that the cost of hospitals and health services will be lessened. Even the cost of old age pensions will diminish as many old people find opportunity of earning wages much better than the pensions.

On the other hand, revenues will increase. Many governmental employees will be freed from unproductive and even obstructive occupations. These may be employed in a planned development of our natural resources, which in time will bring in an immense

*It was shown before the Price Spreads Commission that the price spreads of a number of important retail firms had increased by more than 20 per cent of the original cost of the goods within 20 years. This process of increase in selling costs is reversible.

†During the reign of Henry VIII, when the English villagers were robbed of a large part of their common lands, crime increased threefold.

revenue.* The earnings of the national railways will be multiplied. The rent of land will not at first greatly increase, on account of the competition of areas now held idle. But as production continues to increase rent will increase in proportion.† At present rent may not be sufficient to meet all governmental expenditures, swollen as they are by war costs. But with revenues increasing and expenditures diminishing, the time will come when even the personal income tax will not be needed. There will then be no limit to the earnings of those of outstanding ability except the value of their talents to the community, when used productively without arbitrary hindrances.

The Canadian national income for 1944 is estimated to exceed nine billions of dollars. With the hundreds of thousands now in the armed forces added to our labor power, with the wastes already described eliminated, with all hindrances to industrial progress removed, there is no reason why this income should not before long be doubled. This would give the average Canadian family an income of about \$8,000. Any young man of good character, even if of very moderate ability, should by the time his skills are matured and he is of an age to have family responsibilities be able to earn an income of \$5,000 a year.‡ This is something labor unions can never accomplish with their present methods, even should every worker join.

The power of self-employment which will follow will remove all taint of industrial slavery. Men will be free in fact as well as in form. The ground will be cut away from under the feet of those who would advocate fascism or totalitarianism.

These conclusions are not merely theoretical. While the collection of land rent for governmental purposes has nowhere been fully effected, the four Western Provinces of Canada have gone farther in that direction than the others, or than most parts of the world.

*In this way our natural resources may be fully developed without creating an unduly powerful bureaucracy. The increase in the earnings of industry, and the security of employment, will lead to governmental employment being accepted as a duty rather than sought as a privilege.

†It has already been shown that the abolition of the tax on buildings will greatly increase rent.

‡Or its equivalent at present prices. Governmental monetary policy will determine how far increased wages take the form of increased money wages and how far they take the form of lower prices.

The governments of these Provinces did not at any time collect as much as half the total rent. But the record shows that over a number of years they enjoyed a materially higher per capita income with more equitable distribution than any of the other Provinces. They came to have the highest per capita wealth. The consequently improved living conditions resulted in a marked lowering of the death rate. By nature Ontario is the most favorably situated, Saskatchewan the least favorably situated of the Provinces; yet if Ontario had had as low a death rate as Saskatchewan in recent years the saving in lives would have exceeded 5,000 per annum.

In Ontario about one-fifth of the land rent is collected through the so-called property tax. In the British Islands, where unused land is not taxed at all, the resulting evils—non-use of land needed by a dense population, poverty, overcrowded housing, etc.—are conspicuous. If a decade ago these Islands had reduced their death rate to that of Ontario (which could undoubtedly have been done by collecting about one-fourth of the land rent) the total saving in lives would have approached one hundred thousand annually.

New Zealand pursues policies not far removed from those of the Western Provinces of Canada. Its death rate is about 80 per cent of that of Ontario. The Australian Capital Territory, in which an exceptionally large proportion of the land rent is collected, shows a death rate only 60 per cent of that of Ontario.

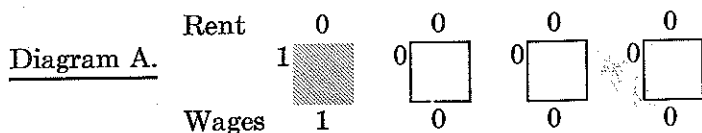
The unequalled social progress made by the Russians in recent years is by many ascribed to their State control of all industry. On examination it will however be found that their progress is due mainly to their land administration, which though clumsy and unscientific in many ways has effectually prevented the holding of valuable land idle for any purpose.

HOW LAND SPECULATION WASTES HUMAN ENERGIES AND LOWERS WAGES

The following diagrams illustrate the way in which land speculation wastes productive power, reduces wages to a bare subsistence and causes unemployment. Whoever will master the principles here shown in elementary form will in time be able to follow their working through the complexities of modern life.

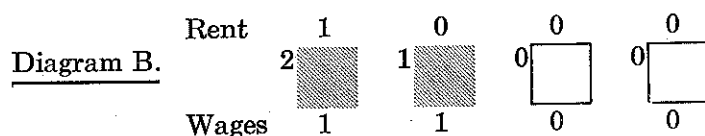
We take first the case of an island, partly level and fertile, partly rocky and barren. A settler lands with his family, and occupies the best quarter of the island. We have here one population

unit, a single family, and four land units. We represent the island by four squares, of which one is shaded to show occupation and use.

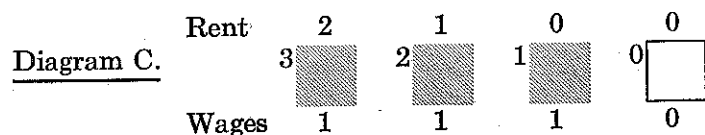


Lacking all advantage of cooperation with others, this family will hardly produce more than enough for a bare living. This living for one family we take as our *Production Unit*, marking the land "1". There being no question of rent or site value, this production unit is all *wages*. Since it is only on the best land that such an isolated family can make a living at all, we mark the remaining sections "0": meaning that while some production might be possible on these sections, under the circumstances production is not practicable.

Now a second family arrive. With two families cooperating, the second family may be able to exist even on the second-best section, while on the best section the first family make twice as much. The "1" unit land is thus developed to "2" unit land while the best of the "0" land is developed to "1". Of the 2 units now enjoyed by the first family, we must regard one unit as *rent which they pay to themselves*, wages being 1 on each land unit.



With the arrival of a third family the advantages of cooperation increase. In similar fashion to that shown above, the "2" unit land may be developed to "3" and the "1" unit land to "2" while the better of the "0" sections can be made to yield a subsistence. The "3" unit land will then yield *rent* of 2 units and the "2" unit land of 1 unit, *wages* being 1 on all land.



Now come a fourth family. There being a limit to the advantages of cooperation among a small number, and the only land

left being the poorest of all, it may be they cannot possibly succeed on it. But if Family 1 will consent to rent Family 4 their land for two-thirds of the product, or to hire them as employees for one-third, we then have a typical society in miniature:

Family 1, producing nothing but with an income of 2 units from rent, become the so-called "best people".

Family 2, with an income of 1 rent and 1 wages, are prosperous.

Family 3, with an income of 1 from working rent-free land, become "poor whites".

Family 4, with a wage income of 1, become employees or tenants.

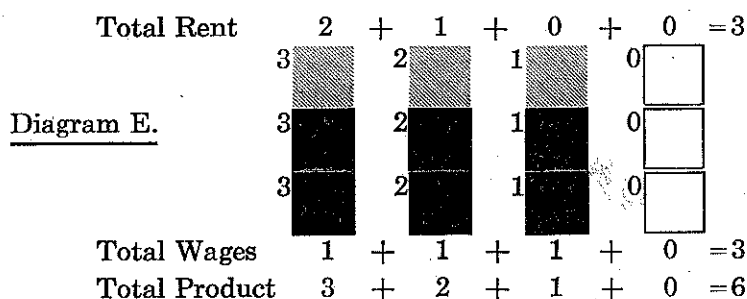
We take next the case of an island three times the size of that in the preceding, so that there are 3 units of each grade of land. Settlement may follow one of two courses. If land tenure is conditioned upon actual use, we have the condition shown in Diagram D.

Diagram D.

Total Rent	3	+	0	+	0	+	0	=	3
	3		2		0		0		
	3		2		0		0		
	3		2		0		0		
Total Wages	6	+	2	+	0	+	0	=	8
Total Product	9	+	2	+	0	+	0	=	11

In this case, since there is plenty of "2" unit land not occupied, only the "3" unit land will pay rent of 1 unit. Wages will be 2, twice the minimum for a bare living. Three families occupying "3" land will produce 9 units; one family occupying "2" land will produce 2 units. Total production, 11 units.

But if the early settlers are permitted to monopolize more land than they can use, Family 1 may take all the "3" unit land, Family 2 all the "2" unit land and family 3 all the "1" unit land, foreseeing a time when with more settlers coming they may be able to charge rent and become an idle aristocracy. Then when Family 4 arrive we have the condition shown in Diagram E.



Land units monopolized but not used are shown by the black squares. Here 3 families, who in Diagram D were shown as producing 9 units, are producing only 6. While the rent of the "3" unit land is now 2 instead of 1, *two-thirds of this available rent is wasted by speculative holding*. Wages are 1 instead of 2.

With 6 units of good land held unused, the fourth family is in the same dilemma as in Diagram C, where it was caused by an actual scarcity of good land. If they can rent land from one of the first comers, they can at least make a subsistence. But it is characteristic of land speculators, that they look towards a time when improvements in production and increase in population will provide for a rent much higher than at present. Hence they refuse to rent or sell their holdings on terms which will leave to the workers even a subsistence. Thus in Diagram E, the fourth family may be relegated to the "0" land, where, like thousands of families on "submarginal" land on this continent, they can subsist only with the help of private or public charity.

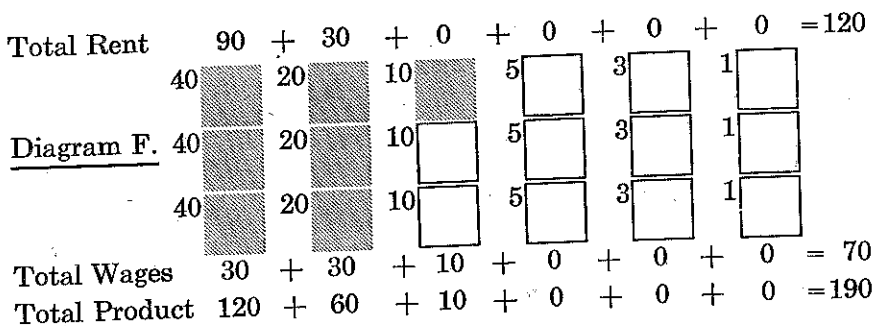
In these diagrams we see, in terms of single families and single family holdings, how land speculation keeps wages to a bare subsistence and causes unemployment. If we consider population units of thousands of people and corresponding units of land and production we find the same principles holding. We see also how, with productive power increasing tenfold, wages keep to a minimum.*

As demonstrated on page 9, average productive power has increased more than tenfold since 1800. But this increase has not been uniform on all sites. The rent of central city sites has increased, in some cases, thousands of times. Some land, in 1800 to be classed as "0" land, will now yield 1, 2, 5 or more units. In

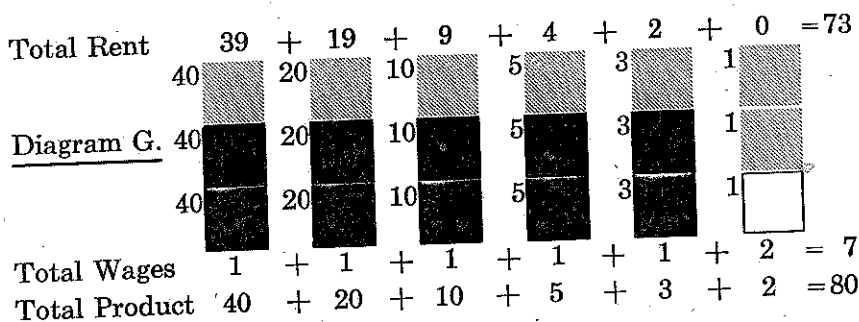
*It may be well for the reader to take a few days to think over these diagrams, and re-read them before proceeding to the following ones.

some cases rent has increased but little (in a few cases even decreased) and there is still much land unusable under present conditions.

It will then be reasonable to consider such a case as the following, in which there are 18 units of productive land and 7 units of population. ("0" land is not shown in the diagram.)



If land rent is collected for public use, only the 7 best units will be occupied. There being some "10" unit land available, wages will be 10. Rent will be 30 on each of the three best units, and 10 on each of the three "20" units. In this case production will be 190 units, or about 27 per unit of population. But if land speculation is permitted and practiced, the result is more as shown in Diagram G.



With two-thirds of the more productive land unused, and nothing better than "1" land left for free use, wages are but 1, the minimum for subsistence. Total production is 80 instead of 190. This diagram shows how wages may be but 1 even though total production is 11 per unit of population and with a possible production 27 per unit, as shown in diagram F.

Diagram G, however, shows but part of the waste caused by land speculation. In this diagram the land units appear as forming a connected ribbon. In fact, areas held idle are so interspersed with those in use as to make communications much slower and more costly than need be. As large-scale production depends upon the unhampered cooperation of large numbers, this impairment of communications greatly lessens production on all land. Thus the numbers indicating productivity should be much smaller in Diagram G than in Diagram F. Moreover, since labor has been kept unnaturally cheap, it has been wantonly wasted on futilities of all kinds. So far from total production being 11 times the subsistence minimum, as shown in Diagram G, it has seldom if ever been more than twice that minimum.*

It is unnecessary further to complicate the diagrams in the effort to bring them closer to actuality. They present a key to the understanding of the case, an understanding which the reader may develop through further study and observation. This will take time—it took the compilers of this booklet many years fully to understand how vicious is the practice of land speculation and how abominable are the policies which permit so vicious a practice to be profitable. For further study the reader is urged to read the books and attend the free study courses mentioned on the last pages and cover.

THE HENRY GEORGE SOCIETY

HOWARD HOGG, *President.*

THE HENRY GEORGE FOUNDATION OF CANADA

J. H. L. PATTERSON, *President.*

SCHOOL OF ECONOMIC SCIENCE

ERNEST J. FARMER, *President.*

*The per capita income of all Canadians in 1933 was less than \$25 per month. The \$20 per month allowed old age pensioners was officially admitted to be inadequate.

SOME ADVOCATES OF GEORGISTS PRINCIPLES

The principles outlined in this booklet are known as "Georgist", in honor of the great American philosopher and economist, HENRY GEORGE. Henry George was conspicuous not only for the force and clarity of his economic reasoning, but for his courageous and unswerving devotion to the Christian ethical principles on which his whole philosophy rests. The following quotation expresses the innermost core of his convictions:

"Individuals and classes can obtain their just rights only by struggling for the rights of others. Herein do we see the deep philosophy of Him who said 'Love your neighbor as yourself.' In this spirit and in no other is the power to solve social problems and carry civilization onward".

Again he said: "We are surer we see a star if others see it also." All down the ages the truth which he enunciated has been declared by other great thinkers. Among these we mention:

MOSES: (*Lev. 25:23*). "The land shall not be sold in perpetuity". (Under his code the land might be sold only for a limited time, until the year of Jubilee.)

MENCIUS, disciple of Confucius, (372 B.C.) urged rulers:—"If in the market-place he levy a ground-rent on the shops but do not tax the goods . . . then all the merchants of the empire will be pleased and will wish to have their goods in his market-place." (Miles Menander Dawson, "Ethics of Confucius.")

PATRICK E. DOVE, author of "The Theory of Human Progression."
The PHYSIOCRATS of the French Republic.

THOMAS JEFFERSON: "Whenever there are in any country uncultivated lands and unemployed poor, it is clear that the laws of property have been so far extended as to violate natural rights."

WILLIAM PITT, Earl of Chatham: "There is a method by which you can tax the last rag from the back and the last bite from the mouth without causing a murmur against high taxes, and that is to tax a great many articles of daily use and necessity so indirectly that the people will pay them and not know it. Their grumbling will be of the hard times, but they will not know that the hard times are caused by taxation."

THOMAS PAINE: "Men did not make the earth . . . it is the value of the improvement only, and not the earth itself that is individual property."

ALEXANDER HAMILTON, THOMAS SPENCE.

CARDINAL MANNING: "The land question means hunger, thirst, nakedness, notice to quit, labor spent in vain, the toil of years seized upon, the breaking up of homes, the miseries, the sicknesses, deaths of parents, children and wives; despair and wildness which spring up in the hearts

of the poor when legal force like a share harrow goes over the most sensitive and vital rights of mankind. All in contained in the land question."

ABRAHAM LINCOLN: "The land, the earth God gave to man for his home, sustenance and support, should never be the possession of any man, corporation, society or unfriendly government, any more than air or water, if as much.

"An individual or company or enterprise requiring land should hold no more than is required for their home and sustenance, and no more than they have in actual use in the prudent management of their business; and this should not be permitted when it creates monopoly. All that is is not so used should be held for the free use of every family to make homesteads, and to hold as long as they are so occupied."

Among the prominent people who since his time have publicly praised Henry George or endorsed his writings, we mention a few names and in some cases add a quotation:

STATESMEN

WINSTON CHURCHILL: "Land monopoly is not the only monopoly there is, but it is by far the greatest—it is perpetual monopoly, and is the mother of all others. Land, which is a necessity of human existence, which is the original source of all wealth, is strictly limited in extent and fixed in geographical location—land, I say, differs from all other forms of property, in these primary and fundamental conditions."

DAVID LLOYD GEORGE: "It is all very well to produce 'Housing of working class' bills; they will never be effective until you tackle the taxation of land values."

VISCOUNT SNOWDEN: "There never was a time when the need was greater than today for the application of the philosophy and the principles of Henry George to the economic and political conditions which are scourging the world."

SIR STAFFORD CRIPPS: "Free-Money and Free-Land, with the nationalization of the Bank of England, will become a reality as soon as the Labor Party again gains control of the Government. Free-Land is for us a matter of course."

THEODORE ROOSEVELT: "The burden of municipal taxation should be so shifted as to put the weight of taxation upon the unearned rise in value of the land itself, rather than upon the improvements."

FRANKLIN D. ROOSEVELT: "For the sake of our returning sailors and soldiers, the Nation can also be grateful that the men who fought for (land) reclamation combined their foresight with courage. They wanted to use the public domain to provide opportunities for life and usefulness for large numbers of independent farmers, so they wrote anti-land monopoly into the reclamation laws.—They wanted no speculators to reap all the value of government investment, not to burden the homeseekers with the weight of heavy mortgages, so they wrote anti-land speculation provisions into the basic law."

WOODROW WILSON: "All the country needs is a new and sincere thought in politics; coherently, distinctly and boldly uttered by men who

are sure of their ground. The power of men like Henry George seems to me to mean that."

LOUIS BRANDEIS, Justice of the U.S. Supreme Court: "I cannot disagree with Henry George. I believe in the taxing of land values only."

HENRY WALLACE, U.S. Vice-President: "Sometimes I think land speculation is a plague more terrible than drought and insect pests and almost as bad as war itself."

RIGHT HON. GEORGE LANSBURY, M.P.: "Henry George and his great book 'Progress and Poverty' made a great impression upon me. His clear thinking and writing, when setting forth the diagnosis of the economic and social distress which has accompanied civilization down the ages, alone makes his work instructive and valuable to all students."

LORD WILLINGDON, once Governor-General of Canada: "That great American citizen, Henry George; a great economist, a great reformer."

SIR WILFRID LAURIER: "I am a firm believer in the principles and philosophy of Henry George."

ARTHUR W. ROEBUCK, former Attorney-General of Ontario: "An intelligent and industrious people endowed with great natural resources is assured of plentiful employment and a high standard of living, unless indeed the resources are denied to use by the price or rent at which they are held. Henry George described the effective procedure by which nature's gifts may be made available to the nation's workers, the key to profitable business, abundant employment and general prosperity."

NEWTON D. BAKER, Secretary of War under President Wilson: "I am inclined to believe that no writer of our time has had a more profound influence upon the thinking of the world. I have read 'Progress and Poverty' several times, and have always felt that for beauty of style, elevation of spirit and weight of argument, that it is one of the greatest books written in my lifetime."

SUN YAT SEN: "I intend to devote my future to the promotion of the welfare of the Chinese people as a people. The teachings of your Single Taxer, Henry George, will be the basis of our program of reform." (Spoken in 1912).

"China's CHIANG KAI-SHEK has announced that he intends to model the New China on the theories of Henry George—the neglected American." —Dorothy Thompson.

WILLIAM GAYNOR, Mayor of New York City: "Farewell, Henry George! Great, honest, pure heart and brain, farewell! Now that you are gone people will come to know that you are one of the few men of the age to survive."

LORD WEDGWOOD, once Governor of Kenya; SIR PERCY GIROUARD, Canadian-born Governor of Northern Nigeria; N. W. ROWELL, Chief Justice of the Supreme Court of Canada; J. DEACHMAN, prominent Canadian Liberal M.P., etc.

AUTHORS

LEO TOLSTOI, whose works have sold more than fifteen million copies: "If I were Czar, I would put the Henry George system into operation and then call a constitutional convention and abdicate." "There is no answer to Henry George. People do not argue with his teaching, they simply ignore it."

GEORGE BERNARD SHAW: "I went one night to a hall in London and heard a man deliver a speech which changed the current of my life. The man was Henry George."

ELBERT HUBBARD: "Of all modern prophets and reformers, Henry George is the one whose arguments are absolutely unanswerable and whose forecasts are sure."

KATHLEEN NORRIS: "Anyone who really fears a revolution in America, ought to re-read Henry George's 'Progress and Poverty,' one of the greatest social documents of all time."

JOHN RUSSELL YOUNG, President of the White House Correspondents' Association: "Henry George lived only to benefit his fellow men. He will live as long as integrity, piety and courage are honored among men."

MAX HIRSCH, Australian writer on sociological subjects: "This, the ideal of Henry George, is what I would place before our people, instead of the will-o'-the-wisp of Socialistic despotism."

WILLIAM ALLEN WHITE, Chairman of the Committee to Defend America by Aiding the Allies: "I believe Henry George started more men to thinking seriously and competently about public problems, and especially problems of taxation, than any other American in one hundred years."

SAMUEL CLEMENS ("Mark Twain"), DOROTHY THOMPSON, etc.

EDUCATIONALISTS

NICHOLAS MURRAY BUTLER, President of Columbia University: "It is half a century since no inconsiderable part of the world was plunged into vigorous and excited controversy over the thesis and arguments of a book by Henry George; he called it 'Progress and Poverty.' The very title was abundant in challenge and the argument in the book was more challenge still. It may be said at once that so far as Henry George pointed to privilege as unbecoming, an unfair and indeed disastrous accompaniment to progress, his teaching has passed into economic theory everywhere."

JOHN DEWEY, of Columbia University: "It would require less than the fingers of two hands to enumerate those, who, from Plato down, rank with Henry George, one of the world's greatest philosophers." . . . "As a beginning of the first steps toward permanent recovery there should be a nation-wide revival of interest in the writings of Henry George, and an enlightenment of public opinion, so that our representatives in Legislatures and public places be compelled to adopt the changes he urged."

IRVING FISHER, of Yale University: "I favor the gradual reduction, as far as possible, of the tax burden on industry and labor; and taking instead the economic rent of the bare land."

H. J. DAVENPORT, Cornell University: "Nor is the fiscal retention of bare-land rent to be considered a tax; being the rightful collection of revenue from the social estate, it is therefore not taxation, but, to its extent, displaces and avoids taxation."

T. N. CARVER, Harvard University: "Location value, however, is a different thing. It seems to me a good subject for special taxation."

FRANK D. GRAHAM, Princeton University: "The approach to scientific taxation involves a shifting of the burden from productive industry, where it now lies, to such incomes as those which are in truth unearned."

JAMES R. BROWN: "Our present tax system is shot through with grand and petty larceny from top to bottom."

HON. GEORGE FOWLDS, New Zealand Minister of Education: "Single Tax simply means the bringing of human institutions into harmony with natural or Divine law."

CHURCHMEN

DR. WILLIAM TEMPLE, Archbishop of Canterbury: "Our present treatment of land and buildings placed upon it strikes me as peculiarly 'topsy-turvy'. If a landlord neglects his property and it falls into bad condition, the rates are reduced, while if he improves his property and so does a service to society the rates are increased. But if the rates were levied upon the land itself and not upon the buildings placed upon it, there would always be the inducement to make the property as good as possible in order that the best return be received upon it."

REV. DR. MCGLYNN, famous Roman Catholic priest of New York City: "I have taught and will continue to teach that land is rightly the property of the people in common, and private ownership of land is against natural justice, no matter by what civil or ecclesiastical law it may be sanctioned."

DR. THOMAS NULTY, Bishop of Meath, Ireland: "The land of every country is the gift of the Creator to the people of that country; it is the gift and inheritance bequeathed to them by their Common Father, out of which they can by continuous labor and toil, provide themselves with everything they require for their maintenance and support, for their material comfort and enjoyment."

"The land therefore of every country is the common property of the people of that country, because its real owner, the Creator, who made it has transferred it as a voluntary gift to them."

"Now as every individual in that country is a creature and a child of God, and as all His creatures are equal in His sight, any settlement of the land of that country that would exclude the humblest man from his share in the common heritage, would not only be an injustice and a wrong to that man, but would be an impious resistance to the benevolent intentions of his Creator."

SCIENTISTS, INDUSTRIAL LEADERS, OTHER CELEBRITIES

ALBERT EINSTEIN: "Men like Henry George are rare, unfortunately. One cannot imagine a more beautiful combination of intellectual keenness and fervent love of justice. Every line is written as if for our generation."

Our generation has many and important things to learn from Henry George."

HENRY FORD: "We ought to tax idle land the way Henry George said—tax it heavily so that its owners would have to make it productive."

CHARLES INGERSOLL, famous watch manufacturer: "The only trouble with capitalism is that, like Christianity, it has never been tried. What we have is not capitalism, but monopolism."

FRANCIS I. DUPONT: "Were there no taxes on land, then it might be held in such large tracts that an even worse 'artificial scarcity' would result . . . In the modern world, especially in the United States, even the light taxes levied on land are a great protection against the growth of such a tyranny as that of ancient Italy."

SURGEON-GENERAL GORGAS, most famous of American sanitary engineers: "The single tax would be the means of bringing about the sanitary conditions I so much desire."

ARTHUR S. THOMPSON, M.D.: "It requires reflection to see that manifold effects result from a single cause and that the remedy for a multitude of evils may lie in a single reform. Two simple reforms banished unemployment and venereal diseases from Russia. Treating the natural resources as public property made possible abundant employment for all at good wages. Paying women the same wages as men for the same work established the economic independence of women, removing all necessity for selling their bodies in order to live.

"The moral and social good these two simple reforms have accomplished in Russia, can be obtained in Canada under our present system of government in a better and simpler way through the Henry George philosophy, securing employment for all at good wages, without restricting individual initiative and freedom."

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HELEN KELLER: "It was because Henry George steeped the subject in the splendor of his soul, that we hear in his words an irresistible call for justice to all men"

J. RUPERT MASON, of San Francisco: "Only if we abolish the privilege of holding land for less than its true rental value can we hope to produce enough 'guns and butter' and escape total regimentation. Both our governments can do this, any time our people demand it. *What are we waiting for?*"

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Power

As man is so constituted that it is utterly impossible for him to attain happiness save by seeking the happiness of others, so does it seem to be of the nature of things that individuals and classes can obtain their own just rights only by struggling for the rights of others . . .

Those who are most to be considered, those for whose help the struggle must be made, if labor is to be enfranchised, and social justice won, are those least able to help or struggle for themselves, those who have no advantage of property or skill or intelligence,—the men and women who are at the very bottom of the social scale. In securing the equal rights of these we shall secure the equal rights of all. . . . And herein may we see the deep philosophy of Him who bade men love their neighbors as themselves. In this spirit, and in no other, is the power to solve social problems and carry civilization onward.

—Henry George, in the concluding chapter of
SOCIAL PROBLEMS.



There was a man that could look no way but downwards, with a muck rake in his hand. There stood also one over his head, with a celestial crown in his hand, and proffered him that crown for his muck rake, but the man did neither look up nor regard, but raked to himself the dirt and dust of the floor.

—Bunyan's Pilgrim's Progress.



Churchill

Roosevelt

Laurier

Lincoln

Einstein

Ford

Tolstoi

Gorgas

Do you know these names ? See on pages 30-35
what these men have to say about the subject
matter of this booklet.

