"An Ounce of Prevention is Worth a Ton of Cure"—Franklin

THE BULLETIN

OF THE MANUFACTURERS AND MERCHANTS FEDERAL TAX LEAGUE

VOL. V. CHICAGO, JANUARY 1927 No. 4.

LOOK OUT FOR THE NATIONAL ASS'N OF REAL ESTATE BOARDS!

The National Association of Real Estate Boards which has embarked upon a nation-wide compaign to increase the tax burden on business, labor and consumption and to reduce it upon the value of land and other natural resources, is boasting about its remarkable growth. In its NEWS SERVICE letter of January 29 (p. 4) it says that its membership has now risen to 658 local boards with 26,205 active members as against 413 local boards with 16,377 active members five years ago.

This is remarkable. But the growth of its financial power is equally remarkable. Up to last year the dues for each active member was $5 per annum. In September of 1926, however, the by-laws of the Association were changed raising the dues of each active member from $5.00 to $7.00 for the year 1927, to $8.00 for the year 1928, to $9.00 for the year 1929, and to $10.00 for the year 1930. This increase in dues, the Association stated, was necessary to obtain more funds for use "especially in the fields of education, taxation, research and legislation."

Thus while the membership of the Association has almost doubled within the last five years the total income has more than doubled and within another four years will have more than trebled! The following table shows the growth in membership of the Association since 1922 and the increase in the total income as it will be up to 1930:

Year	Total Boards	Total active members	Dues per year	Total income
January 1, 1922	413	16,377	$5	$ 81,885
January 1, 1923	463	17,504	5	87,520
January 1, 1924	490	19,435	5	97,175
January 1, 1925	505	20,729	5	103,645
January 1, 1926	561	24,166	5	120,830
January 1, 1927	658	26,205	7	183,435
January 1, 1928	**(1927 basis)**	**(1927 basis)**	8	**209,640**
January 1, 1929	**(1927 basis)**	**(1927 basis)**	9	**235,845**
January 1, 1930	**(1927 basis)**	**(1927 basis)**	10	**262,050**

That the Association will play "in the fields of education, taxation, research and legislation" a very significant part in the future, can, in the light of the above table, hardly be questioned. Already it is giving heavy moral and financial support to the impartial (?) and disinterested (?) "Institute for Research in Land Economics" directed by Prof. Richard T. Ely in Northwestern University. Through the Association's aid chiefly the Ely Institute has put out twelve of its proposed fifty volumes in land economics; it has published numerous pamphlets and circulars; it has trained scores of teachers; and it has got both its teachers and its books into more than fifty colleges and universities and more than 240 Y. M. C. A. schools. Who says that in the "fields of education, taxation, research and legislation" the National Association of Real Estate Boards won't be a future power!

WILL THE PROPOSED SCIENTIFIC APPRAISAL OF REAL ESTATE IN CHICAGO BE DEFEATED?

One of the tenacles of the bogus Ely "research" Institute in Northwestern University has now wormed its way into the politics of Chicago where it threatens to strangle one of the most important pieces of work that the public-spirited citizens of this city have undertaken in many years.

Some eight or nine months ago the City Council of Chicago and the Board of Education, acting jointly, authorized a scientific appraisal of all real estate—land and buildings—in the entire central district of the city. This appraisal was deemed necessary because of the gross inequalities in the distribution of the tax burden as well as the need for more revenue. The work was done by the Manufacturers' Appraisal Company—a concern employing the well-known Somers System of Land Valuation which has been used for the assessment of real estate for taxation in nearly one hundred American cities. The task of appraising required several months but when it was completed it disclosed many pieces of property overassessed and a great many more pieces grossly underassessed. Taking the central district as a whole the appraisal showed that all real estate should have been valued for taxation at $1,268,000,000 instead of $602,890,380, the figure fixed by the Board of Review.

No sooner, however, had the appraisal of the central district been completed than a demand arose for a similar appraisal throughout the whole city and county. This was natural. For if the assessed value of real estate was raised in the central district it would, by the same token, be reduced in the outlying districts—particularly on the owners of homes and improved property.

On the recommendation of President Anton J. Cermak, therefore, the Board of Commissioners of Cook County passed on October 25 a resolution "to have all real estate, lands and buildings, in the County appraised on an equitable, uniform, scientific and lawful basis for the quadrennial assessment of 1927." This was followed a little later by another resolution of the Board authorizing the appointment of a commission composed of leading citizens and public officials of the city to

(Continued on page 4.)

EDUCATORS FEAR TO INVESTIGATE PROF. ELY'S "RESEARCH" INSTITUTE

When it comes to telling other people to "stand up for principle," to "defend the right at all costs," etc., college professors and university presidents are great heroes. But when it comes to doing it themselves—practicing what they preach—these same professors and presidents are (with a few exceptions, of course) about as shy and timid little creatures as can be imagined.

Take, for instance, the case of the "Institute for Research in Land Economics and Public Utilities" headed by Prof. Richard T. Ely in Northwestern University. The purpose of this Institute, Prof. Ely states, is to investigate the great problems pertaining to land, public utilities and taxation—and to investigate them in "an impartial, scientific and disinterested manner."

But the statement is absolutely false!

In the first place Prof. Ely has for twenty years or more been deeply prejudiced **against** the heavier taxation of lands and natural resources—the very arrangement that increasing numbers of people feel certain is the real solution of our economic difficulties—and as deeply prejudiced **in favor** of the heavier taxation of the products of human labor—the very arrangement that the same people feel certain would greatly intensify our economic difficulties. Tested by the same principles that apply in the selection of a jury this fact alone is sufficient to disqualify him as an "impartial investigator" in the problems of land and taxation.

In the second place Prof. Ely and his Institute are financed by real estate boards, the public utilities, the land grant railroads other similar groups—groups that have always opposed the taxation of land values and always favored the higher taxatio products of labor. Since Prof. Ely has repeatedly thrown the of his Institute to these groups when their particular interests been at stake it quite definitely shows him to be in his researches, n "disinterested" as he asserts, but the reverse.

In the third place Prof. Ely has launched his Institute upon its long task by announcing its conclusions **in advance** of its investigations. That is to say he has BEGUN the Institute's "researches" into the land and tax problems—

(1) By **condemning** in every possible way the heavier taxation of land-and-natural-resource values, and

(2) By **approving** in every possible way the heavier taxation of the earnings of industry and labor, occupations, sales of goods and articles for consumption.

This proves that Prof. Ely is not scientific. More than that, it conclusively proves that the purpose of his Institute is not, as he religiously insists, to investigate in an impartial, disinterested and scientific manner the problems pertaining to land and taxation but to carry on through our educational institutions propaganda designed to advance the special interests of a few at the expense of the many. As a research bureau, therefore, the privately-financed Ely Institute in Northwestern University is not genuine but a rank fraud, an outrage to education and a danger to the welfare of the whole people.

Knowing this long ago to be true the Manufacturers and Merchants Federal Tax League, through its monthly Bulletin, labored for more than a year with the authorities of Northwestern University not to permit such a gigantic intellectual swindle to be conducted within that institution. Obtaining, however, no results the League then undertook to lay the matter before five of the largest educational organizations in the country, namely—

The American Federation of Teachers
The American Council on Education
The Association of American Colleges

(Continued on page 3.)

EXECUTIVE SECRETARY OF PROF. ELY'S "RESEARCH" INSTITUTE JOINS THE N. A. R. B.

In its NEWS SERVICE of January 29, the National Association of Real Estate Boards says:

"Arthur J. Mertzke, for the past two years executive secretary of the Institute for Research in Land Economics and Public Utilities, Northwestern University, has been appointed director of the department of education and research for the National Association of Real Estate Boards. Mr. Mertzke succeeds Ernest M. Fisher, who resigned September 1 to join the faculty of the University of Michigan, accepting there the first full time professorship in real estate ever created by an American University."

This announcement is as interesting as it is important. As an official of the National Association of Real Estate Boards and at the same a member of the Institute staff Prof. Fisher did valiant service in getting the disinterested (?) Ely Institute into the schools, colleges and universities of our country. No doubt Prof. Mertzke because of his previous training will, in his new position, promote the activities of the Ely Institute even better than Prof. Fisher.

THE BULLETIN

of the Manufacturers and Merchants Federal Tax League

Published Monthly, except August,
In the Interest of Lower Taxes on Industry
by the
Manufacturers and Merchants Federal Tax League
Telephone Buckingham 7134
1346 Altgeld St., Chicago, Ill.

Editor, Emil O. Jorgensen.

Entered as second-class matter April 9, 1923, at the post office at Chicago, Illinois, under the Act of March 3, 1879.

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LOUIS F. POST'S LATEST BOOK

When Louis F. Post writes anything it is always worth reading. His latest book "What is the Single Tax?" certainly is worth reading. In this book Mr. Post has given an answer to the question he propounds that is, in our opinion, the best answer that has yet been made—at least in any book of the same size. The quantity of reading matter is not so large (140 pages) but the quality is there.

Mr. Post begins his book with an illuminating statement regarding the origin of the Single Tax. He then discusses the defects of the present social order—the fiscal defects, the defects as to property rights and the defects with reference to social unity and individual liberty. After criticising the proposed remedies of these defects—labor unionism, co-operative societies, money reform, protective tariffs, socialism, etc.,—he then comes to the Single Tax. Here he strikes his strongest gait. First he takes up the economic aspects of the Single Tax, which are discussed at considerable length, and then he goes into the social aspects, after which he sets forth the method and program of this great reform. The book is from beginning to end a high class piece of work. It is published in green cloth by the Vanguard Press, New York, and sells for 50 cents. Not the least interesting part of the book either is a note about Mr. Post himself written by his old friend, E. N. Vallandigham. Yes, the League has copies for sale.

AN OBJECT LESSON FOR REFORMERS

Thanks to the generosity of James A. Bell, Otto Cullman, Harry Willock, C. A. Lingham, Fenton Lawson, E. J. Burke, William Baxter, W. J. Wallace, Gerrit Johnson and J. W. Griggs who bore the main expense—the EDUCATION PROTECTIVE ASSOCIATION last month sent out under two cent postage to 24,800 leading men and women in the educational field, a four-page circular entitled "Do you Want Our Youth to Be Misled?" This circular showed that the Ely Institute in Northwestern University is operating under false pretenses—carrying on propaganda under the guise of "research"—and served as a warning to all teachers and others who have come or will come in contact with the Institute's literature.

Although many responses have already been received—some bitterly hostile, others friendly—the full effect of the broadside cannot be determined for a year at least. Experience has shown that those who are affected favorably are generally the slowest to give any indication of that fact. All in all, however, it is even at this time safe to say that some of the Ely books that have been used in schools will be dropped from the classrooms next year.

Meanwhile, however, some replies have been received that demonstrate very clearly not only what a tremendous grip professional economists of the Ely type have on the people's mind but what wholesale destruction they have wrought by reason of this grip. Take, for instance, the following letter from Mr. Guy H. Jaggard, Superintendent of the Concordia (Kansas) Public Schools:

THE CONCORDIA PUBLIC SCHOOLS
Guy H. Jaggard, Superintendent.
Concordia, Kansas.

Jan. 4, 1927.

Education Protective Association,
1344 Altgeld St.,
Chicago, Ill.
Gentlemen:

As a former student of economics who has kept up interest and reading along this line, I was interested in reading your indictment of Prof. R. T. Ely in his educational work. Perhaps you have a case against him as regards the teachings being put out under the guise of Research. Further than that I do not see where you have any charge against him and his teaching. We have always held to freedom of thought in our American universities, and while I have never been a student under Prof. Ely, I failed to find a single quotation on the whole of page three of the pamphlet that is not in accord with the belief and teachings of all the writers of economics with which I am acquainted through their works. All the leading teachers and writers of economics are agreed with Prof. Ely regarding the income tax, the fallacies of the single tax theory, etc. There may be a few exceptions, but certainly a small minority.

If there is some reason for opposing his views and the spread of these views, it would be worth our reading, the current issue fails to satisfy.

The tendency in this section is marked toward a shifting of taxation from land, to incomes and articles of consumption. If we are wrong, we are willing to be shown.

Very truly yours,

GUY H. JAGGARD.

If this very innocent and frank letter were not so tragic it would be amusing. Mr. Jaggard admits the falsity of the Ely teachings being put out under the guise of "research"; and he sees no doubt the grave economic disorders around him—the steady reduction of free-owning farmers, for instance, to the position of debt-ridden tenants. Yet neither of these facts causes him for a moment to question the authority of the professional economists or to doubt that the tendency of shifting taxation from land to incomes and articles of consumption is the logical one. One might properly ask Mr. Jaggard why, if the Ely conclusions are sound, it is necessary to resort to dishonest methods to keep them before the people, and why again, if they are correct, farm tenancy is steadily increasing in his section of the country instead of decreasing.

Mr. Jaggard's letter, indeed, furnishes some rich food for thought. After forty years of proselyting on the part of the followers of Henry George the trend of economic thought in the state of Kansas is, as Mr. Jaggard rightly says, away from the taxation of land values instead of towards it. Why, since the taxation of land values means economic emancipation and the taxation of the products of labor means economic slavery, should this be true? Simply because the people are brought in contact with correct economic principles **after** they leave school while the wrong principles are taught to them **before**. In other words the truth is presented to them after they get old while the fallacies are instilled into them when they are young. So long as this situation prevails the tendency, of course, can only be in the wrong direction instead of the right one.

NEWS NOTES

Capt. N. A. Vyne of Camp Verde, Arizona, sends us the first three numbers of his new paper, the "Arizona Single Taxer." The paper is small but it is well printed, is decidedly readable, has got punch and is destined to be of real service to the cause. It is issued monthly and costs 50 cents a year.

Readers of this paper will be glad to know that the birthplace of Henry George has been purchased by the Henry George Foundation of America, which is located in Pittsburgh, Pa. An investment of about $20,000 will be made in the purchase, remodeling and maintenance of the birthplace and additional property will probably be acquired later to give the historic home an attractive setting.

One of the finest little pamphlets on the taxation of land values that we have seen for a long time has just come to our desk. It is entitled "Relieving Business Through Scientific Taxation" and is published by the American Association for Scientific Taxation, 226 West 47th Street, New York City. Harry G. Brown, Professor of Economics in the University of Missouri is the author. Price, 5 cents.

The League has been presented by the United Committee for the Taxation of Land Values (11, Tothill Street, London, S. W. 1) with a complimentary copy of "The Labor Question" which is an abridgement of Henry George's book "The Condition of Labor." It is issued in memory of the man who in 1907 made the abridgement and who up to the time of his death in 1923 was a faithful soldier for the common good—Harry Llewelyn Davies.

Those who are not following L. D. Beckwith's story printed serially in the Stockton (Calif.) Forum, do not know what they are missing. The story is about a group of escaped lunatics who founded the settlement of Bug House Prairie and its county seat, Nuttville. The actions of these lunatics in the conduct of the community they have established so closely resembles our own that it is not at all flattering. Incidentally the sagacious Prof. Richard T. Ely figures frequently in the narrative.

Our contemporary, "The Standard", published in Sydney, Australia, (65 Market Street) celebrated it 21st birthday on Dec. 15th of last year.

The Standard is always an inspiring paper but its December issue is especially so. It contains a splendid account and review of the single tax movement in the various states of Australia since the writing of Henry George's "Progress and Poverty." Not merely that but the issue contains many notes and photographs of leading men and women who have played an important part in advancing the single tax cause in this far off country. It is an issue that the editors may well be proud of.

THE OCTOPUS AGAIN!

"The institute of co-operation, which was held last summer at the University of Minnesota, and the summer before at the University of California, is to be held in Wieboldt hall next summer.

"This is an organization which includes practically all the American Farm Bureau and Agriculture societies. The course is a four week's one and those who are taking it will have the opportunity of hearing many distinguished speakers. Gov. Lowden is listed among the notables to speak.

"Dr. H. C. Taylor, formerly chief of the Bureau of Agriculture Economics at Washington, and now a member of Dr. Ely's Institute staff, is in charge. He is also Northwestern University's representative in the conduct of the course."—From "The Daily Northwestern," Northwestern University, Evanston, Ill., Dec. 11, 1926.

A deaf woman entered a church with an ear trumpet. Soon after she had seated herself, an usher tiptoed over and whispered, "One toot and out you go."

"Hello! Hello! Is this you, Mac?"
"Ay."
"Is this MacPherson I'm talkin' to?"
"Ay, speakin'."
"Say, Mac, I want to borrow $10—"
"I'll tell him as soon as he comes in."

EDUCATORS FEAR TO INVESTIGATE ELY INSTITUTE — Con.

The American Economic Association, and
The American Association of University Professors.

These five organizations were asked to make a full and fearless investigation of the Ely Institute. Mind you, they were not requested to take any action against the Institute: they were merely asked to investigate it and publish their findings to the world. If they found the charges against the Institute to be false they were to vindicate the Institute and condemn its accusers; if they found the charges to be true they were to vindicate the accusers and condemn the Institute.

Of course, the League knew that to make such an investigation and to publish the findings would require a good deal of courage on the part of the educators. For the very groups that are financing the Ely Institute in Northwestern are the very groups that are among the largest donors to colleges and universities and that exercise over them the largest control.

But the League was not prepared for such an exhibition of side-stepping, pusillanimity and cowardice as it encountered. Instead of getting the desired inquiry of the fraudulent Ely Institute, the Manufacturers and Merchants Federal Tax League got, from all but one of the organizations, an outright refusal to investigate it!

The one organization that did not refuse to investigate was the American Federation of Teachers. And to the honor and credit of this organization let it be said that, unknown to the Federal Tax League, it had already passed a resolution to conduct an investigation of the Institute some time before the League's request was sent out. A final report has not yet been made by the Teachers' Federation but its early completion has been announced.

As to the remaining four organizations their correspondence is simply one long story of straddling and evasion. From the very beginning the League pursued the policy of communicating with the presidents only, of sending to each officer in the various organizations a copy of the letter sent to the president, and where answers were not received after a sufficient length of time follow-up letters were sent by registered mail.

Correspondence with the four organizations mentioned was begun by the League on July 31, 1926. The first of the organizations to give a definite reply was the American Council on Education. Its Director, Dr. C. R. Mann, wrote on September 28 as follows:

AMERICAN COUNCIL ON EDUCATION
26 Jackson Place,
Washington, D. C.

September 28, 1926.

Mr. Emil O. Jorgensen,
Manufacturers & Merchants Federal Tax League,
1346 Altgeld St., Chicago, Ill.

My dear Sir:

Your letter of July 31st, addressed to Miss Gildersleeve as Chairman of the American Council on Education, was brought by her to the attention of the Executive Committee of the Council, Saturday, September 25th, and was carefully considered. It was the unanimous concensus of the meeting that the function of acting as umpire in questions of the sort you raise is wholly beyond the scope of the activities of this Council. Therefore, we must decline to accept your suggestion that we appoint a committee to investigate the Institute for Research in Land Economics and Public Utilities at Northwestern University.

The Executive Committee is keenly alive to the importance of preserving the integrity of research and to the necessity of protecting research from intimidation by propagandists of special creeds. It is the duty of University Trustees to perform both of these functions, and we are thoroughly convinced that they are quite as competent to do this for themselves as is any outside agency.

Yours very truly,

C. R. MANN,
Director.

The next organization to give the League a positive answer was the Association of American Colleges. Its Secretary, Dr. Robert L. Kelly, wrote on December 24 as follows:

ASSOCIATION OF AMERICAN COLLEGES
111 Fifth Avenue,
New York, N. Y.

December 24, 1926.

Mr. E. O. Jorgensen,
Director, Man. & Merchants Federal Tax League,
1346 Altgeld Street, Chicago.

My dear Mr. Jorgensen:

The Executive Committee of the Association of American Colleges has considered your several communications and has requested me to inform you that it cannot pass upon a matter of the character you raise, and it has positively decided not to discuss the specific matter presented by the Federal Tax League.

Yours very truly,

ROBERT L. KELLY,
Secretary.

The third organization to act in the matter was the American Economic Association, on whose Executive Committee, it is interesting to note, Prof. Richard T. Ely himself was a member. The President of the Association, Dr. E. W. Kemmerer wrote on December 30 as follows:

AMERICAN ECONOMIC ASSOCIATION
Evanston, Ill.

December 30, 1926.

Mr. Emil O. Jorgensen,
Director, Manufacturers & Merchants Federal Tax League,
1346 Altgeld St., Chicago.

Dear Sir:

In accordance with my letter to you under date of September 27, 1926, I took up with the Executive Committee of the American Economic Association the question you raised concerning the "Institute for Research in Land Economics and Public Utilities" at Northwestern University. The Committee declined to undertake any investigation as proposed, on the ground that such an investigation would lie outside of the functions of this organization.

Very truly yours,

E. W. KEMMERER,
President.

The fourth organization to give a final answer to the request for an investigation of the Ely Institute was the American Association of University Professors. Its Secretary, Prof. H. W. Tyler, wrote on January 27, 1927, as follows:

AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS
Office of the Secretary
222 Charles River Road,
Cambridge, Mass.

January 27, 1927.

Mr. E. O. Jorgensen,
Manufacturers and Merchants Federal Tax League,
1346 Altgeld Street, Chicago.

Dear Sir:

In reply to your note of January 22, I have to state that the subject was presented at the meeting of our Council and that the Council preferred to take no action whatever.

Very truly yours,

H. W. TYLER,
Secretary.

Remarkable, indeed, are the ways of our leading educators! When it comes to urging others who are outside of our schools, colleges and universities to "stand up for honesty" they have the courage of lions; when it comes to standing up for this honesty themselves, and within the very institutions of which they are a part, they have the courage of whining jackals!

"HOCKING" THE HIGHER EDUCATION

M. A. Huggins, corresponding secretary of the Baptist Board of Education, told the Southern Baptist Education Association recently that:

"A college president must be a man who can bag big game, though it is desirable that he be a scholar."

Bagging big game, as Mr. Huggins' speech made clear, means getting big contributions from the super-rich. To do this, it is not enough that the college president be a persuasive beggar. In the majority of cases, he must give direct or indirect assurances that his college will not foster political, social or economic theories that are unpleasant to over-wealthy patrons. **He hocks the academic freedom of his school for an endowment.**

No more amazing statement has been made about education in modern times, and the disgraceful thing is that the policy which Mr. Huggins so frankly commends has been followed in more than one instance.

It would be followed by more—but for the competition of the state universities, supported by grants of public money. With all due credit to those philanthropists—and they are numerous—who tie no strings to their educational gifts, the publicly owned and operated state university is the chief bulwark of liberalism in higher education. May its shadow not grow less!—Labor, Washington, D. C.

DAVID GIBSON ON "AUDIENCES"

For one purpose or another, and upon a diversity of subjects, I have had a good deal of experience talking to gatherings of people of all classes.

It is very seldom that an audience made up of the business and professional men of a community can be interested with a serious subject.

It is true that they are continually being addressed on subjects of this class, but it is also true that they are usually bored stiff.

They want to be entertained, amused, and about the best a speaker can do is to put on a dignified vaudeville act.

On even a subject, involving business, profession or community relations, why, there are yawns, gapes and other evidences of boredom.

And this is about as true with an audience of women of the same class.

About the only group with which a serious subject can be taken up with any display of interest is one made up of young men or women, particularly those of foreign birth and parentage.

They will stand for a subject like political economy, sociology or biology. And a talk before them on one of these subjects is usually followed by a lot of intelligent questions.

But all this doesn't spell anything very serious.

I think the reason for it is in the fact that an audience of business and professional men is usually made up of those in middle life. They are mature, finished men, and they know about as much as the average speaker. Or at least they are satisfied in their knowledge—their brain cells are set, fixed, and they do not care to have them disturbed with anything they do not know.

Young people have life before them, and they are willing and anxious for any knowledge that will possibly aid them in its pursuit, and particularly from an older person with some view or opinion on what is before them.

Then, another thing: Young people haven't set opinions. At least changing those they have isn't a painful operation. And in their youth they have more physical vitality, while middle-aged men and women are frequently tired out with the problems of their businesses, professions or households, and they require and demand relaxation in an audience room in the evening or even at a luncheon club table at noon. —Lorain Journal.

NOT MERELY A THING OF THE INTELLECT

"The intelligence required for the solving of social problems is not a thing of the mere intellect. It must be animated with the religious sentiment and warm with sympathy for human suffering. It must stretch out beyond self-interest, whether it be the self-interest of the few or of the many. It must seek justice. For at the bottom of every social problem we will find a social wrong."—Henry George.

THE PROGRESS OF THE SINGLETAX MOVEMENT—Cont'd

By EMIL O. JORGENSEN

(From "False Education in our Colleges and Universities," pp. 180-183.)

Let us pass from Australia over to New Zealand. Here, also, we find the singletax theory of Henry George to be making uninterrupted progress. While there had been some activity in favor of taxing land values apart from improvements in New Zealand as early as 1880 (the year after "Progress and Poverty" was published) it was not until 1891 that the movement began in real earnest. Five years later (1896) local option in taxation was given to all cities, boroughs, counties and town districts in the Dominion. One year following this (1897) Palmerston North—a borough with a present population of 15,649 and the first borough in New Zealand to do so—availed itself of its privileges and exempted its improvements from all local taxation.

New Zealand

Since this time over one-half of the local governing bodies in the Dominion have followed the same course. Forty-seven counties out of a total of 125, and 68 boroughs out of a total of 118, in addition to 87 town, road, river-protective and land-drainage districts, now raise their local revenues entirely by taxing land values and exempting all improvements.[141] This includes the large cities of Wellington and Christchurch, both of which adopted the land value tax system over twenty years ago as well as the city of Wanganui (pop. 24,000) which came into the fold in the early part of 1925.[142]

Following are the counties, boroughs and leading town districts in New Zealand that have transferred the local tax burden from improvements to land values since the year 1897:[143]

CITIES, COUNTIES, BOROUGHS AND LEADING TOWN DISTRICTS IN NEW ZEALAND THAT HAVE TRANSFERRED THE LOCAL TAX BURDEN FROM IMPROVEMENTS TO THE VALUE OF LAND DURING THE PAST 28 YEARS

1897—Palmerston N. Borough
(Pop. 1921—15,649)
Pahiatua Borough
Normanby Town District

1898—Waipawa County
Waipukurau County
Dannevirke County
Woodville County
Inangahua County
Murchison County
Cheviot County
Woodville Borough
Waipawa Borough
Waipukurau Borough
Greymouth Borough

1899—Hokianga County

1900—Eketahuna County
Waimate County
Devonport Borough
(Pop. 1921—8,761)
Pelorus Road District

1901—Raglan County
Tauranga County
Stratford County
Whangamomona County
Pahiatua County
Hamilton Borough
(Pop. 1921—11,441)
Feilding Borough
Foxton Borough
Wellington City
(Pop. 1923—112,070)
Masterton Borough
(Pop. 1921—7,820)
Lower Hutt Borough
Hokitika Borough
Sumner Borough
Waimate Borough
Gore Borough
Winton Borough
Invercargill Borough
(Pop. 1921—15,203)
Te Puke Town District

1902—Wairarapa Sth. County
Southland County
Stratford Borough
Christchurch City
(Pop. 1923—113,490)
Balclutha Borough
Sth. Invercargill Borough
Dunsden Town District

1903—Waimarino County
Kaitieke County
Hawera Borough
Ohakune Borough
Raetihi Borough
Picton Borough
Blenheim Borough
Rangataua Town District

1904—Buller County
Westport Borough
West Harbour Borough
Bluff Borough

1905—Hobson County
Kawhia County
Awakino County
Kairanga County
Akitio County
Takaka County
Awatere County
Dargaville Borough
Petone Borough
(Pop. 1921—7,978)

1906—Eastbourne Borough

1907—Dannevirke Borough
Eketahuna Borough

1908—Piako County
Morrinsville Borough
Featherston Borough
New Brighton Borough

1909—Opotiki County
Weber County
Ngaruawahia Borough
Hastings Borough
(Pop. 1921—9,115)

1910—Wairoa Borough

1911—Ohura County
Taumarunui Borough
Gisborne Borough
(Pop. 1921—10,931)

1912—Waikohu County
Opotiki Borough
Marton Borough
St. Kilda Borough
(Pop. 1921—6,084)
Mosgiel Borough
Riverton Borough

1913—Thames County
Collingwood County
Whangerei Borough
Birkenhead Borough
Te Kuiti Borough
Napier Borough
(Pop. 1921—14,346)
Hikurangi Town District
Waverley Town District
Gonville Town District
Johnsonville Town District
Upper Hutt Town District

1914—Mongonui County
Whangarei County
Gt. Barrier Is. County
Otahuhu Borough
Runanga Borough
Riccarton Borough
Martinborough Town District
Otorohanga Town District
Otane Town District

1915—Featherston County
Onehunga Borough
(Pop. 1921—7,073)
Huntly Town District

1916—Ellerslie Town District
Raglan Town District

1917—None

1918—Mangaorongo Road District
Waiatarua Drainage District

1919—Whakatane County
Manawatu County
Cambridge Borough
Thames Borough
Paeroa Borough
Whakatane Borough
New Plymouth Borough
(Pop. 1921—11,395)
Taihape Borough
Otaki Borough
Carterton Borough

1920—Bay of Islands County
Kawa County
Taranaki County
Mangapapa Town District
Tarradale Town District
Havelock N. Town District

1921—Rodney County
Hauraki Plains County
Inglewood County
Timaru Borough
(Pop. 1921—14,958)
Geraldine Borough
Manurewa Town District

1922—Otamatea County

1923—Avondale Borough
Glen Elden Town District
Henderson Town District
New Lynn Town District

1924—Tauranga Borough
Taupo Road District

1925—Wanganui City
(First (Pop. 1923—23,523) 5 mos.)

It is worth noting in this connection that out of the 202 governing bodies in New Zealand that, during the past twenty-eight years, have adopted the system of taxing land values for local purposes, only sixteen polls on the question of going back to the system of taxing improvements have been taken, and of these sixteen polls only five have been successful.[144]

Such, then, is the status of the singletax movement at the present time. In no country has the full theory as yet been applied but public sentiment in favor of it is not, as Prof. Ely intimates, declining, but steadily and continuously increasing. Since the publication of "Progress and Poverty" by Henry George in 1879 the singletax idea has taken root in practically every civilized nation on the globe; it has been adopted for local purposes either in whole or in part, and with the utmost satisfaction, in nine of the large cities of the world; while in the various rural districts, municipalities, states and nations where the entering wedge of the reform has been inserted, live more than sixty millions of people.

Singletax movement not receding but steadily advancing

[141]Report, "International Conference for the Taxation of Land Values," 1923, pp. 59-61.

[142]"The Liberator," (101 Victoria Arcade, Auckland, N. Z.), May, 1925.

[143]See "The Liberator" of April 2, 1922, and subsequent issues.

[144]"The Liberator," April, 1922, p. 4.

WILL THE PROPOSED APPRAISAL BE DEFEATED?—Con.

aid in having such an appraisal made in time for the "quadrennial assessment of 1927."

A careful study of the commission appointed, however, leads one to question whether the proposed appraisal will be made in time for the "quadrennial assessment of 1927." Some persons, indeed, are pessimistic enough to think that no scientific appraisal will be made at all. Not that the commission itself is hostile to a scientific appraisal; as a matter of fact most of the members are not hostile. But the commission is not thoroughly informed. It is groping for light, and for some mysterious reason most of the experts whom it is calling before it to testify are connected, directly or indirectly, with Prof. Ely's privately-financed "Institute for Research in Land Economics" in Northwestern University. Not merely that but Prof. Ely himself has been attending gatherings and has been seen sitting at the speaker's table at meetings of the Chamber of Commerce where the proposed appraisal of real estate in Cook County was the sole subject.

The significance of all this will become more apparent when it is realized that Prof. Ely is bitterly opposed to any separation of land and improvements for taxation purposes such as has just been completed in the central district of Chicago and which separation is absolutely necessary if a scientific appraisal of real estate is to be made and equitable and uniform assessments are to be secured.

Read, for instance, Prof. Ely's own words in his "Outlines of Land Economics," (Vol. III, p. 114)—one of the first books of his proposed fifty volume project:

> "Land taxation should be real estate taxation. Practical experience shows that what we need in taxation is the legal concept **real estate.** When a man puts up a building, he considers not only the return on the land, but a return on the building, and he amalgamates the two. Very likely he sacrifices real estate value for the sake of land utilization. He calculates that the land may increase in value and offset a certain depreciation of the building. Putting the two together he finds that he may hope for a modest return on his investment. The land furnishes the security without which the building would not be constructed. It gives borrowing power, and this is especially so if land values are stable, and still more so if there is a tendency to a moderate, slow increase in land values."

Again Prof. Ely says ("Outlines of Land Economics," Vol. III, p. 115):

> "Among the many reasons why we should not tax separately the value of the land and the value of improvements is the difficulty of separating the two values. Improvements in both urban and agricultural land, become in many cases so blended with the land itself that they are indistinguishable and inseparable. Administrative and general economic difficulties were so great that the attempt at separation was abandoned in England."

Such is the character of the stuff that is being handed to the Commission by the "experts" and "scientists" representing the Ely Institute in Northwestern University! Is it any wonder that the Commission is confused, hesitant in its actions and lacking in enthusiasm to go ahead? Unless the friends of equitable taxation awaken to the danger there will be no scientific appraisal of real estate in Cook County for the "quadrennial assessment of 1927"!