

“The Man Who Will Not Investigate Both Sides Of A Question Is Dishonest.” — Abraham Lincoln.

THE BULLETIN

OF THE MANUFACTURERS AND MERCHANTS FEDERAL TAX LEAGUE

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No. 12

TEACHERS SEE DANGER IN ELY LAND INSTITUTE

Not all people, even in these rainy days of movies and jazz, have thrown their reason to the winds. This is evident from the recent resolution of the Chicago Federation of Men Teachers which is reproduced on this page. In condemning the fraudulent Institute for Research in Land Economics and Public Utilities directed by Prof. Richard T. Ely of Northwestern University the federation has not merely lived up to its adopted slogan, “Democracy in Education; Education in Democracy,” but has distinctly shown its vigilance in guarding our schools from those who would use them to promote their own selfish ends at the expense of the public at large. May the federation’s tribe increase!

DENMARK CONFERENCE MEETS END OF JULY

The Third International Conference on the Taxation of Land Values meets in Copenhagen, Denmark, on July 20. It is being called jointly by the United Committee for the Taxation of Land Values in England and by Det Danske Grundskyldsudvalg in Denmark, and its sessions will last ten days. Several hundred delegates representing every quarter of the civilized globe are expected to be present. That it will be the largest as well as one of the most inspiring and informative conferences of its kind that has ever been held is a foregone conclusion. The proceedings will be watched and read with interest.

DANISH FARMERS ARE BEST OFF --- LOWDEN

Former Governor Frank O. Lowden of Illinois is in Europe studying agriculture. His remarks regarding the farmers of Denmark are particularly interesting: “I am greatly impressed by the progress made by Danish farmers who 100 years ago were serfs and who are now as prosperous as American farmers in the best times. Farmers with eleven acres live as well as many American farmers with many times as much land. Every house has a telephone, radio and other conveniences.”

What Mr. Lowden has failed to state, however, is that this general prosperity among the farmers in Denmark is due fundamentally to the land policy they have adopted. Furthermore the Denmark farmer whose voice is strong in Parliament believes in the taxation of land values only. He has succeeded in having two laws passed in the last four years which lean strongly in this direction and no halt is going to be made until all taxes in the nation have been shifted from the fruits of industry to the value of the bare land.

Why doesn’t Mr. Lowden mention this fact too?

CHICAGO MEN TEACHERS CONDEMN PROF. ELY

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WHEREAS, Professor Richard T. Ely has established an Institute for Research in Land Economics and Public Utilities, now connected with the Northwestern University,

WHEREAS, this Institute, claiming a neutral and impartial attitude towards the subjects of its investigation, is supported by funds obtained from that group whose interest is bound up with the existent methods of taxation,

WHEREAS, the work of Professor Ely and of the Institute has been shown to have disregarded the duty of clear definition of terms without which scientific procedure is impossible, and, further, has been shown to have been offered by them and used by the selfish interests by which their work is financed for the purposes of propaganda for exclusive methods of taxation,

WHEREAS, the basic books prepared by or under the direction of Professor Ely as outlines for the research of the Institute have been shown to abound in fallacies of economic theory, all of which fallacies tend toward supporting existent methods of taxation and opposing any experimental method for improvement and better their pretenses of impartiality by laying down in advance the conclusions which should mark the end of the research,

WHEREAS, numerous instructors, trained in Professor Ely's Institute, have found places in various institutions of general education throughout the country there to become propagators and defenders of the doctrine of the Institute,

BE IT RESOLVED by the Chicago Federation of Men Teachers that we denounce Professor Ely and his Institute as an unethically dangerous factor in the social and educational fabric of our country and that we bring them to the attention of the American Federation of Teachers at the Tenth Convention in order that the convention may examine the question and take such action as in its judgment may best serve to promote justice, progress and the welfare and safety of American institutions.

Adopted April 15, 1926.

NOT A STRUCTURE, BUT A FOUNDATION

By LOUIS F. POST

What should we think of the intelligence of a Bible critic who argued that building upon a rock instead of sand would “not do everything”? Of course it would not. A rock is not a complete structure. It is a foundation.

Yet that kind of criticism has long been a favorite with careless readers of Henry George. They seem oblivious to the fact which any considerate reading of his writings holds up like a huge sign-board,—the fact that he did not offer his proposal as a social structure; nor, to vary the metaphor, as a social “cure-all.”

Quite the contrary. The adoption of that proposal would not be enough, he frequently declared.

Throughout “Progress and Poverty” his implications are clear that neither the fundamental principle he adopted and expounded, nor the fiscal method he proposed for practically applying that principle, would dispose of every social maladjustment. Like implications flow through his other writings so impressively that only superficial readers can escape their significance. They were frequently expressed also in his public speeches and in his answers to questions from public platforms. In one of his most popular books he declared himself in that respect with a precision so explicit that it should shut off even the shallowest critic from so much as suggesting that his Singletax proposal was or is offered as a social cure-all.

“Social Problems” is the book alluded to. In Chapter XVIII of that book Henry George wrote: “Let me not be misunderstood. I do NOT say that in the recognition of the equal and unalienable right of each human being to the natural elements from which life must be supported and wants satisfied, lies the solution of all social problems. I fully recognize the fact that even after we do this, much will remain to do. We might recognize the equal right to land, and yet tyranny and spoliation be continued. BUT **WHATEVER ELSE WE DO**, so long as we fail to recognize the equal right to the elements of Nature, nothing will avail to remedy that unnatural inequality in the distribution of wealth which is fraught with so much evil and danger. Reform as we may, until we make this fundamental reform our material progress can but tend to differentiate our people into the monstrously rich and the frightfully poor.”

That precise statement in the second and one of the best known of Henry George's books utterly routs the superficial criticism that Henry George's proposed reform, now generally known as the Singletax, is a proposal for perfecting our social structure. Manifestly it is a proposal for laying the only firm foundation.

In place of the economic sand upon which our present social structure rests, Henry George offers an economic rock.

TWO STATES REDUCE TAX ON LAND VALUES

Virginia has just repealed the state tax on real property. New York has also just reduced by half a mill the direct state tax on real property. Both pieces of legislation, says the National Association of Real Estate Boards, were secured chiefly through the activity of its local members in those two states.

WATCH TAX ON LAND, SAYS THE N. A. R. B.

Flushed with its success in keeping the taxes on land values down as compared with the tax burden on business, industry and agriculture, the National Association of Real Estate Boards at its last annual convention in Tulsa, Oklahoma, urged realtors in general and state real estate associations in particular “to give a more increased study and more increased attention and thought to taxation as affecting real property, as one of the most important and valuable contributions that the Realtors of America can make in the interests of property owners whom they seek to serve.”

N. A. R. B. TO DOUBLE DUES OF ITS MEMBERS

Because of the vigorous measures it is taking to influence tax legislation throughout the country and particularly because of the heavy support it is giving to the fraudulent “Institute for Research in Land Economics and Public Utilities,” conducted by Prof. Richard T. Ely in Northwestern University, the National Association of Real Estate Boards is now taking steps to raise the annual dues of its active members from \$5 to \$10 per capita.

At the recent annual convention held in Tulsa, Oklahoma, the following resolution was passed by an overwhelming majority of the delegates present:

“**WHEREAS**, in view of the increasing needs and growing responsibilities of the National Association of Real Estate Boards, especially in the fields of education, taxation, research and legislation, it is imperative that more adequate funds be provided for its activities.

“**THEREFORE, BE IT RESOLVED** that it is the sense of the Board of Directors of the National Association of Real Estate Boards that the per capita dues of active members of Member Boards be increased from five to ten dollars per annum, such increase to be effective as of January 1, 1927.”

Since the membership of the National Association has grown from 480 local real estate boards in 1924 to 643 local boards in 1926—or from an active membership of about 19,000 individuals to an active membership of about 27,000—the additional fund thus raised for the purpose of “education, taxation, research and legislation” will be approximately \$135,000.

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“LET US SPEAK PLAIN”

Let us speak plain: there is more force in names
Than most men dream of; and a lie may keep
Its throne a whole age longer if it skulk
Behind the shield of some fair-seeming name.
Let us call tyrants tyrants, and maintain
That only freedom comes by grace of God
And all that comes not by His grace must fall;
For men in earnest have no time to waste
In patching fig-leaves for the naked truth.
—James Russell Lowell in “A Glance Behind the Curtain.”

FARM LEGISLATION FAILS OF PASSAGE

As might be expected Congress has failed to do anything for the farmer. Perhaps it would be better to say that Congress has failed to do anything “to the farmer.” For it is certain that the kind of farm legislation proposed by the political brethren could only have resulted in the long run in making the lot of the farmer worse than it is today. The farmers are indeed fortunate to have escaped by so narrow a margin.

CONGRESSMAN KELLER IS DEFEATED

The booze question has downed another statesman in Congress. This time it is Congressman Oscar E. Keller of Minnesota. Keller—a fearless champion of human rights, a relentless foe of organized privilege, and father of the tax bills sponsored by the Manufacturers and Merchants Federal Tax League—was heavily defeated by Melvin J. Mass in the recent primary. But the end is not yet. Keller may be down, but he is not out.

THE LONG ARM OF THE N. A. R. B.

Few people seem to realize what a long arm, in the making of public opinion, the National Association of Real Estate Boards possesses. This huge Association always did exercise a large influence on the people but its influence in the past is a mere bagatelle as compared with the influence it aspires to exercise in the future. Besides backing Prof. Richard T. Ely in his effort to publish, under the auspices of his fake “research” Institute in Northwestern University, a veritable encyclopedia of fifty volumes on land economics and related subjects, besides supporting the same professor in his effort to put out, through his twenty-six classes in the Northwestern School of Commerce, a yearly crop of “well-trained” teachers to guide the economic thought of the rising generation—besides all this the National Association is now seeking, with the help of Prof Ely, of course, to corral those teachers throughout the nation who have not yet been contaminated with its false ideas. In its News Letter of April 3, for instance, the National Association says:

“A full list of instructors has been named for the national short course in real estate to be held at Northwestern University under the joint auspices of the National Association of Real Estate Boards, the University, and the Institute for Research in Land Economics and Public Utilities. The Institute will be held primarily to give special training to the teachers of real estate courses now offered in approximately 300 cities over the country. The date has been set for Aug. 1-7.”

“Special training” to teachers of courses now offered in approximately 300 cities!
How long, O Lord, how long?

WE CONGRATULATE “THE FORUM”

The most unique paper in the United States has just celebrated its sixth birthday. It is called “The Forum” and is published weekly in Stockton, California, by L. D. Beckwith. Beckwith limits the size of his ads to one inch for each person or corporation. He is thus free to tell the truth how, when and where he pleases and the way he shoots facts around about economics and politics—good and bad—is enough at times to make one’s hair stand up. Another five years of “The Forum” and Stockton will be a far cleaner city—physically, mentally and morally—than it is today.
More power to its arm!

THE HOPE OF POLITICAL ECONOMY

Political Economy has been called the dismal science, and as currently taught, is hopeless and despairing. But this, as we have seen, is solely because she has been degraded and shackled; her truths dislocated; her harmonies ignored; the word she would utter gagged in her mouth, and her protest against wrong turned into an indorsement of injustice. Freed, as I have tried to free her—in her own proper symmetry, Political Economy is radiant with hope.—Henry George in “Progress and Poverty.”

THE FARMER’S FINISH

Land speculation and the tariff tax
Have ruined the farmer. Booms have pushed the land
Beyond his utmost reach, and now a band
Of tenants supercede free farmers. Backs
Are bent in cultivating high-priced tracts
That yield no more than when the self-same land
Sold for a song. And while the rents expand,
The tenant’s share is subject to the axe!

Meanwhile the tariff—posing as his friend—
Has trimmed his dollar down to sixty cents.
O, what a farce, when we must still depend
On foreign markets for his recompense!
Between the land boom and the tariff wall,
The farmer struggles, tottering to his fall!

—HORATIO.

IN THE MAILBAG

MIDWEST STUDENT CONFERENCE
Kansas City Open Forum Hall
June 13-14-15, 1926
Lawrence, Kansas,
June 25, 1926.

Gentlemen:

I don’t know how I can convey my appreciation of the splendid co-operation which you gave us in getting the Single-tax program to the students. The speaker we had was a whirlwind. I only hope that you may have some inquiries from the list of names which I sent.

* * * * *

I have profited greatly by coming in contact with these new ideas at first hand and numerous other students have expressed the same sentiments. The Commonwealth Land Party also sent us some literature and I am getting a copy of George’s “Progress and Poverty” from Mr. Fuller.

Assuring you that we feel a deep gratitude to you for your efforts, I am,
Sincerely yours,
(S) Clarence O. Senior,
CHAIRMAN.

New York City, N. Y.,
June 5, 1926.

Gentlemen:

My check for \$10.00 is enclosed to help distribute Mr. Jorgensen’s splendid work exposing the hypocrisy of Prof. Ely’s Institute.

My Jorgensen’s ground in the treatment of this subject is wisely taken, and the evidence which he presents must convince every one who has developed the power of logical thought and the courage to use it, that the Institute is condemned by its method regardless of its findings.

Apparently certain college professors have not yet developed that power and courage, and by their attacks on Mr. Jorgensen, confess themselves in the unhappy predicament of making their living as apologists for a monstrous iniquity (the private appropriation of ground rent) as well as the prostitution of education to the service of that iniquity.

Laurence W. Tracy.

Pasadena, California,
June 12, 1926.

Dear Mr. Jorgensen:

At last I have got around to read your book. I have read but four chapters so far but I will say your deductions are irrefutable. I think you have written a book of utmost importance to our cause. Kindly have a copy (paper cover) sent to each of the enclosed names and charge it to me.

Geo. H. Sinton.

Brooklyn, N. Y.

Gentlemen:

Thank you. When I feel that I am in need of your kindergarten instruction, I shall venture to ask you for it. I believe I am still in normal possession of my mental faculties and so long as I am I shall continue to form my own opinions. Is it within your mental powers to grasp this?

H. S. Vosburgh.

FARMERS EDUCATIONAL AND CO-
OPERATIVE STATE UNION OF
NEBRASKA

Omaha, Nebraska,
May 10, 1926.

Dear Mr. Jorgensen:

In spite of your letter of May 3, saying you billed me by mistake for one copy of your excellent book “False Education in our Colleges and Universities,” I insist upon paying for the book, and you will find my check for \$1.00 enclosed. Never before have I had more real pleasure for a dollar. If you must give away a copy of your book, give it to somebody who ought to have it but won’t pay for it.

L. S. Herron.

Wichita, Kansas,
June 11, 1926.

Dear Mr. Jorgensen:

Congratulations upon the thorough exposition which you have made of the perverted and debauched “economics” through the service that has been established by Prof. Ely.

Henry Ware Allen.

THE PROGRESS OF THE SINGLETAX MOVEMENT—Cont'd

By EMIL O. JORGENSEN

(From "False Education in our Colleges and Universities," pp. 173-177.)

If we pass from South America to Europe we find further proof that the singletax movement of Henry George is not, as Prof. Ely says, receding, but steadily advancing. Before 1914 the **Europe** movement had already secured a firm foothold in many European nations but this foothold was all but destroyed and swept away in the great conflagration which broke out in that year. However, a reorganization of the movement has now definitely set in and one or two nations at least have taken the first steps that will blaze the pathway to the final goal.

In France, Belgium, Hungary, Norway, Spain, Holland, Germany, Russia, Italy, Czechoslovakia, Switzerland and the Balkan States, nothing of consequence has been accomplished in the way of getting the land value tax on the statute books, but some very substantial headway in educating the people in this direction has been made. In practically all of these nations, publications, setting forth the singletax principles, have been launched; leagues and organizations to distribute literature and give lectures have been formed; and favorable public sentiment is distinctly on the increase.¹¹⁸

It is worth observing as we pass that the large city of Budapest in Hungary made a mild but admirable beginning in land value taxation in 1919. The statute authorizing the tax was carried overwhelmingly by the Town Council on November 7, 1917, was sanctioned in the following month by the Ministers of Home Affairs and of Finance, and the tax was duly assessed, levied and collected for three years—1919, 1920 and 1921. Unfortunately, following the violent political changes and troubles through which the country had passed, not to speak of the Bela Kun revolution, anti-liberal forces were in the saddle and a hostile Town Council in 1921 caused the collection of the tax to be suspended. With the further growth of public opinion, however, this set-back in Hungary can be only temporary.¹¹⁹

Sweden also has some promising legislation to its credit. In Sweden an Act was passed in 1920 whereby all land held by private owners in all cities, towns and urban districts was to be valued separately from improvements for the express purpose of taxing land values to a heavier extent. The valuation was completed in 1922 and although imperfect provides a very workable basis for a more rapid advance of the singletax principle in this country.¹²⁰ England offers a most striking illustration of the vitality of the Henry George movement. In the twenty years preceding the outbreak of the war the disciples of George in England had grown from a mere handful of people to a group of national importance. Under the leadership first of Sir Henry Campbell-Bannerman and later of Premier Asquith the road was cleared for the 1909 Budget and the famous Land Campaign of that time. This over the Land Values Group in Parliament took counsel together and prepared the way for more practical legislation along the right lines. The government introduced measures for revising the valuation of the land and pledged itself both to assess and to tax land values.

But lo! The World War came, scattered the singletax forces and tore to the ground the promising structure they had built up. With the signing of the Armistice, however, the broken ends were gathered together and the construction of a new organization began. Today there is hardly a district in England that does not have its Henry George League where public speakers may be obtained and literature secured. As a result both the Labor and the Liberal parties now have the taxation of land values definitely in their programs. What is equally significant in the election of 1923 over 340 candidates personally endorsed the taxation of land values as did 140 members of the existing House of Commons.¹²¹ No actual legislation of consequence has so far been secured in England but an early victory may be seen on the horizon.

It is in Denmark, however, where the movement in Europe has made the longest strides. Since the formation of the first Henry George Union in that country in 1902 the growth of sentiment in favor of the singletax has forged ahead at an accelerating pace. Urged by the various singletax bodies, with whom the small farm holders and the House-Tenants' Association had joined, the government of Denmark in 1916 undertook to make a tentative valuation of all land apart from improvements for the express purpose of introducing the land value tax. A more scientific separation of the value of the land from the value of the improvements was made in 1920 and again in 1923.

With the valuation of 1920 completed a law was passed by the Denmark Legislature and signed by the King on August 7, 1922, placing a national tax of one and five-tenths mills on the dollar on the value of all land in the kingdom, the same law reducing the tax on improvements to a corresponding extent. The chief significance of this law is not merely that it marks a small but sound beginning in the taxation of land values for national purposes, but that it definitely establishes the machinery for a much larger extension of the same principle for local purposes.¹²² A bill to shift a large share of the local

tax burden from improvements to land values in all cities, towns and rural districts in Denmark has already been prepared by the government¹²³ and is now under debate.¹²⁴

It is interesting to note in this connection that the third World Conference for the Taxation of Land Values has been scheduled to be held in Copenhagen in July of 1926, the second World Conference, with representatives from fourteen nations present, having been held in Oxford, England, in August of 1923.

Turning from Europe to the English speaking provinces of South Africa we discover an equally steady march towards the singletax principle. Within the last fifteen years the leading **South Africa** provinces in this part of the British Empire have provided for the separate valuation of land and improvements for taxation purposes—the Province of Natal having made such a provision in 1911; the Transvaal in 1912; the Orange Free State in 1913; the Cape of Good Hope Province in 1914; and Southern Rhodesia in 1914.¹²⁵

Moreover, in each of the above provinces authority has been granted the local governing bodies to transfer any or all taxation from improvements to land values if they so desire, the result being that a large number of the towns and cities in these states now tax improvements at a much lower rate than land values while many of them do not tax improvements at all.

Thus, in the Province of Natal the city of Durban (pop. 160,000) now taxes its improvements only one-half as heavily as it taxes its land.¹²⁶ In Southern Rhodesia the city of Bulawayo taxes its improvements one-third as much as its land; the city of Gwelo, one-third; while in Salisbury (the capital) the rate on improvements is only one-seventh of the rate on land.¹²⁷ In the Cape of Good Hope Province again the city of East London taxes its land six times as heavily as it taxes its improvements while in the neighboring town of Cambridge improvements, since 1919, have been entirely exempt—all the revenue for local purposes in this town being raised from land values exclusively.¹²⁸

In the Transvaal the situation is even more interesting. Not only have all municipalities and village councils in this province been given the option of untaxing improvements to any extent they desire, but since 1916 they have been obliged by the provincial government to make the tax rate on improvements at least 1d. in the £ less than the tax rate on land. Today, out of the thirty-eight municipalities and village councils in the province only eight of them still tax improvements at the maximum rate allowed by law, twenty-one others have gone considerably below this maximum, while the remaining nine have eliminated the tax burden on improvements entirely.¹²⁹

For example, the tax rate in the city of Pretoria (the capital of Transvaal) is 1½d. in the £ on improvements as against 4d. in the £ on land; in the city of Standerton it is 1½d. and 5d. respectively; in Potchefstroom 2d. and 5d.; in Ermelo 1d. and 4d.; in Klerksdorp 2½d. and 5½d.; in Lyndenburg 2d. and 4d.; in Piet Retief 1¾d. and 4½d.; in Pietersburg 2d. and 4½d.; in Rustenburg 1d. and 3d.; in Walkersburg 2d. and 4d.; and so on.

On the other hand in Benoni, Boksburg, Brakpan, Germiston, Krugersdorp, Springs, Vereeniging, Witbank and Johannesburg the tax on improvements has been abolished altogether, the whole local revenue in these cities being raised from land values only. In Johannesburg (pop. 288,000) the land value tax method for raising the local revenue has been in force since 1918, all improvements having been exempt since this time.¹³⁰

(To be continued)

¹¹⁸Ibid. Pp. 14-17.

¹¹⁹"Grundskylä," issues of 1924 and 1925. Published by "Den Danske Henry George Forening," Rebekkevej 47, Hellerup, Denmark.

¹²⁰The bill in question was passed by the Danish legislature on March 31, 1926, by a vote of 4 to 1. It received royal sanction on the same day.

¹²¹"Land-Value Policy," by James D. White, pp. 78-79.

¹²²"Land and Liberty," January, 1924.

¹²³"Land and Liberty," February, 1924.

¹²⁴"Land and Liberty," May, 1925.

¹²⁵Report, "International Conference on the Taxation of Land Values," 1923, p. 35.

¹²⁶"Land and Liberty," May, 1925.

Rather Rough

Cock sure reformers are glib enough with their panaceas for social and economic ills. But neither the reformers nor the victims of the evils know just what effect will follow the introduction of any given reform. It is the part of wisdom, therefore, to adopt new measures with caution. A little may be tried. If the result be satisfactory, more can be adopted. On the other hand, if results be not satisfactory, the way can be retraced, and little harm will have been done.—Tax Facts, Los Angeles, Calif.

No Better Off

Hub—Do you really need a new bath wife—I always need a new bat. Hub—Then what's the use of getting this one?—Cleveland Press.

¹¹⁹Report of the "International Conference on the Taxation of Land Values," held in Oxford, England, 1923. Published at 11, Tottil Street, London, S. W. 1, England, by the United Committee for the Taxation of Land Values.

¹²⁰Report of the "International Conference on the Taxation of Land Values," 1923, p. 45.

¹²¹Ibid. P. 32.

¹²²Ibid. Pp. 38-39.

"FALSE EDUCATION IN OUR COLLEGES AND UNIVERSITIES"

By ALEX. MACKENDRICK

(From "Land and Liberty," London, England, May, 1926.)

The perversities of Nature in generating forces and conditions that resist progress evoke an impatient curiosity as to their purpose or significance. We want to know the good of earthquakes; why weeds grow with such intolerable vigour; what purpose is served by clouds of locusts; why the precious metals have not rested on the surface of the earth instead of hiding themselves fathoms deep; why the uses of steam, electricity and the mysterious ether should have been so elusive as to have required for their discovery ages of study and labour. And in the realms of discursive reason and practical politics the same questions perplex us. What is the good of the obscurantist and traditionalist, the anti-progressive, the ultra-conservative, the die-hard and the defender of entrenched piracy? In a word, what is the good of Professor Richard T. Ely? That he is there, a substantial twentieth-century figure with pronounced characteristics, thrown up like ourselves by the social forces of the time, affords proof-presumptive that he serves some purpose in the Cosmic scheme. To those whose disposition is to justify the ways of God to man, or, in scientific language, to read a teleological significance into the evolutionary process, many things become intelligible that are otherwise obscure, chaotic and meaningless. Only when the hypothesis is entertained of a purpose or end, and that end the production of self-conscious, self-directive, creative spirits, the necessity for obstacles, obstructions and difficulties becomes obvious. "I count life just the stuff to try the soul's strength on, and so educate the man," said Browning, and the "educing" or educative "stuff" is just the irritating inertia, the stubborn resistance that meets man's efforts at every turn.

The moral is self-evident. The reformer must encounter the deformer if his passion is to rise to a white heat, and if he is fully to understand the value and significance of his own message to the world. Resistance is the necessary condition of incandescence and luminosity. It is here that we find the place for Professor Ely in an intelligible scheme. He stands for that dead-weight of inertia or resistance, in the overcoming of which man finds himself. One of the richest outgrowths of this clash or conflict between the ideal and the actual, between the forces of progress and reaction represented by Mr. Jorgensen and Professor Ely, lies in the book before us.* Though ostensibly an exposé of Professor Ely's "Institute for Research in Land Economics and Public Utilities," and admirably as it accomplishes its purpose of laying bare the machinations that are so skilfully covered by a profession of impartiality, it is incidentally one of the best expositions of the philosophy of Henry George it has been our fortune to read. Its influence in spreading a knowledge of the true science of society will probably be very great, and thus even Professor Ely, as the provocative cause of its inception, may become an unconscious instrument in the hands of Destiny for the furtherance of Truth and Justice.

The incidents that led to the writing of this book may be briefly told. In 1919 there came together in Chicago a number of men interested in all branches of trade and commerce, whose opinions were converging upon the belief that the economic salvation of society lies in the abolition of tax-burdens on industry and the fruits of industry, and the concentration of all taxation upon the publicly created values that find their expression in the market-price of land and natural resources. There was then formed "The Manufacturers and Merchants Federal Tax League," with a two-fold purpose to serve, an educational and a practical one. In pursuance of the latter, a bill was promoted in Congress, known as the Ralston-Nolan Bill, after its sponsors. This measure proposed to relieve the tax-burden on industry by holding lands valued at more than \$10,000, apart from improvements. In Mr. Jorgensen's words, "a tremor shot through the whole monopoly structure and shook it to the ground." Immediately the reactionaries "got busy." Mortgage bankers, real estate men and representatives of vested interests of all kinds met behind closed doors. A whisper went around: "Stampede the farmers; tell them this Bill is a dastardly scheme to relieve rich city men and to throw additional burdens on agriculture." The trick succeeded—in killing the Ralston-Nolan Bill. But soon suspicions began to circulate which the "interests" had not expected. Farm leaders and editors of agricultural papers began to "see the cat," and to realize that they had been "buncoed." "An opposite movement was plainly settling in," and it became clear to the vested interests that something drastic and spectacular must promptly be done. There and then in October, 1920, was founded within the walls of Wisconsin University, with Professor Ely as director, "The Institute for Research in Land Economics." Its apparent purpose as indicated by the word "research" was to inquire as to the facts underlying land and taxation problems; its real purpose, as Mr. Jorgensen demonstrates with crushing force, was to lead its students away from the truth that promised to set men free, and to imbue them afresh with the old doctrines that have served in the past to buttress and justify monopoly and privilege, with their co-relate, economic slavery. The object of the "Institute" was, in short, not to discover the truth, but to find what it wanted—means to stifle the teaching that menaced the speculative interests.

The "lay out" or programme of this educational institution was not only ambitious and far-flung, but was planned with the most marvellous ingenuity. Its first step was the publication of three "key" books by way of a manifesto, entitled "The Outlines of Land Economics," these being the first instalment of a promised series of fifty volumes. Pamphlets and circulars were written and circulated, lectures delivered and funds raised, largely by contributions from corporations, railway companies and real estate boards. A monthly paper was launched which devoted itself to spreading the doctrines of the Institute. All this was accomplished by April, 1923. From this point onwards its progress was rapid, particularly in its finances, and by September, 1924, its annual income aggregated \$40,000 to \$50,000.

At the beginning of his examination of this elaborate programme, Mr. Jorgensen gives Professor Ely the option of being impaled on one or the other of two horns of a dilemma—that of being self-convicted of incompetence as an economist or dishonesty as a teacher. Copious quotations from the books intended for the guidance of students give definitions of terms which entirely lack the precision or definiteness that is well known to be necessary to the stability of any science, and which are just sufficiently vague to provide the mental fog in which a student might be expected to lose his way and miss the truth. The charge of incompetence might therefore stand against Professor Ely were it not that he must be acquitted on other grounds—his wide knowledge, his forty years' experience as an economist, and his former manifestations of an understanding of root principles in political economy. It is then admitted that Professor Ely is competent and knows his subject. The only alternative remains: he is charged with intellectual dishonesty as a teacher. It is indeed a serious indictment that Mr. Jorgensen prefers against so distinguished a man, and might well give us pause; but the proofs being mainly

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supplied by extracts from the "key" books, Mr. Jorgensen's audacity seems amply justified. For example, it is shown that in defiance of his own declaration that in an inquiry of this kind facts must first be gathered, analyzed and interpreted before conclusions are reached, Professor Ely informs his readers, in one of those introductory "outline" books, that "Directly and indirectly our educational and philanthropic institutions rest to no inconsiderable extent upon the ownership of land and the rents which it yields. Our educational and benevolent institutions are growing in wealth by leaps and bounds and many Universities have now an annual income which a generation ago would have been considered a large endowment." Apart from its irrelevance to questions of justice and equity which one might have assumed was the ultimate object on which the "research" was intended to bear, what are we to think of this as a guiding thought for University students starting on an impartial hunt for a solution of land and taxation problems; and remembering as we must the student's natural prejudice on the importance of educational institutions, and the sympathies of all well-conditioned youths towards benevolence and philanthropy?

"The Fallacies of Professor Ely," 32 in number, are dealt with in Chapter V, which occupies the greater part of the book. In the refutation of these Mr. Jorgensen displays his complete mastery of "The New Political Economy," and provides just the kind of education that should be offered to students who want to find the truth that will solve the social problem. Considerations of space forbid following his closely concatenated arguments, further than to say they are all extremely convincing, except perhaps in one instance.

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In the final chapter Mr. Jorgensen sums up his conclusions, and with these every disciple of Henry George will agree. The charge has been driven home by proofs supplied by Professor Ely himself, and the bold statement is justified that "never has so cunning or so stupendous a scheme to poison the fountains of knowledge and to lead the people away from their own best interests, been conceived in the human mind."

ENCOURAGE LAND USERS

"The assessor is around again this spring looking over our buildings, and if we have made any improvements since the last time they looked them over, we are going to be fined for it by increased assessment and more taxes," said a Sarpy county farmer who drove in a few days ago to get an auto-load of supplies from the State Exchange. He didn't think it was the proper system—and we agree with him right heartily.

Without at all urging, or even suggesting, the complete application of the Henry George single tax theory—the theory that the full ground rent should be taken in taxes—we believe that agriculture would be greatly benefited if improvements and equipment were exempt from taxation, and the revenues now derived from the general property tax were all raised by taxing land values only.

Such a system of taxation would, of course, increase taxes on land. This would mean that owners holding land in an unimproved or poorly-improved condition would pay more taxes than they do now; therefore, if the total amount of revenue raised remained the same, the owners of well-improved and well-equipped farms would pay less. The latter would pay more taxes on their land, but the increase on their land would be more than offset by the exemption of their improvements, live stock, and machinery.

That this perfectly logical deduction would hold true in actual practice was proved by the careful study made in Madison county, Nebraska, a few years ago by Dr. G. L. Carlson of Norfolk.

Taxation of land values would take the fine off those who improve and equip

their farms, and place it on those who do not themselves use land, but only hold it for income and speculation. Instead of discouraging the improvement and equipping of farms, it would discourage the holding of land by non-users. That would make it easier for landless farmers to acquire farms, and serve as a much-needed check to the growth of tenantry.—"Nebraska Union Farmer," May 12, 1926.

THE HERD OF COWS

"Certain persons have driven a herd of cows, on whose milk they live, into an enclosure. The cows have eaten and trampled the forage, they have chewed each others' tails, and they low and moan, seeking to get out. But the very men who live on the milk of these cows have set around the enclosure plantations of mint, they have cultivated flowers, laid out a race-course, a park, and a lawn-tennis ground, and they do not let out the cows lest they should spoil these arrangements. . . . The cows get thin. Then the men think that the cows may cease to yield milk, and they invent various means for improving the condition of the cows. They build sheds over them, they gild their horns, they alter the hour of milking, they concern themselves with the treatment of old and invalid cows . . . but they will not do the one thing needful, which is to remove the barrier and let the cows have access to the pasture."—Leo Tolstoy, in "A Great Inquiry."

How Things Are Shar'd

"It's hardly in a body's pow'r
To keep, at times, frae being sour,
To see how things are shar'd."

—Robert Burns.

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