

Henry George School of Social Science

Chartered by the University of the State of New York

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Tertius Chandler
2500 Buena Vista
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Dear Mr. Chandler,

George Collins has referred your two questions to me in my capacity here as the librarian. I have enclosed copies of several pages from Gaffney and Harrison's *The Corruption of Economics*, which give partial answers.

The only mention by Gaffney of federal level tax legislation initiatives (by Georgists) during the 1921-31 period is a Ralston-Nolan (HR 12,397) bill. From one source cited by Gaffney (Jorgensen, 1925) its genesis is summarized as follows.

In Chicago of 1919 a group of Georgists organized themselves as the "Committee of Manufacturers and Merchants on Federal Taxation" under the chairmanship of an Otto Cullman. Aside from their public education goals, they also intended to introduce a federal tax bill in line with their economic principles. Toward that end they had one of their Washington attorneys make a draft to be introduced into the House by congressman John I. Nolan, who did so February 7, 1920.

Roughly, the aim was to impose a 1% excise tax on the "privilege of holding lands, natural resources, and public franchises" worth more than \$10,000 excluding improvements and to use the revenues to reduce the tax burden on "business, industry, and agriculture." As was inevitable, the National Association of Real Estate Boards recognized an immediate threat to their interests and took counteraction.

The Association asked a Richard T. Ely, the Director of the Institute for Research in Land Economics and Public Utilities at the State University of Wisconsin, to undertake a scholarly analysis of the Ralston-Nolan bill. Ely turned the task over to another staff member, a B. H. Hibbard, who wrote one which was published and distributed by the Association in June of 1921. The counter action succeeded. Although the bill was resurrected in 1924, as the Keller bill(HR 5733), it too suffered defeat.

There is a side plot here that may or may not interest you in following up. Arguments are offered by Gaffney that Hibbard's scholarship is biased and that similar actions have distorted and even deliberately misrepresented Georgist economics within academia.

In connection with your mention of Louis F. Post, I have scanned all the major articles in *Land and Freedom*(formerly *The Single Tax Review*) for the years in question. Although his name appears in several other contexts, he is not mentioned in connection with tax legislation.

Even so, the possibility is not entirely ruled out. He was the Assistant Secretary of Labor in the Wilson administration among other important "single taxers" appointed by the President. They may have been indirectly influential upon tax policy. This matter would require further in-depth research to resolve. In fact, David Domke of our School is in the midst of writing a series of articles on Post for the *Henry George News*, and I will most certainly inform you of any new developments bearing upon your question.

Also keep in mind that there was a national Single Tax Party during this time period. They held a national convention in Chicago(1920) and nominated Robert C. Macauley and Richard C. Barnum for their presidential/vice-presidential slate. At their 1924 national convention in New York, they finalized the change of their name to The Commonwealth Land Party, and they changed the name of their publication from *The Single Tax Review* to *Land and Freedom*. Their slate this time was William J. Wallace and John C. Lincoln(founder of Lincoln Electric Co.).

In both presidential campaigns their platform called for the abolition of the income tax and the substitution of a Georgist style land value tax. Nevertheless, I have run across no mention of a direct connection between the platform and legislative initiatives subsequent to the elections.

Finally, there are the many state and local single tax party organizations to consider. As you can see from the enclosure, Gaffney considers the Wright Act Irrigation Districts in California to be one of many overlooked local Georgist success stories. Indeed, I came across a fair number of such local initiatives chronicled in *Land and Freedom* in the ten years searched.

Please, feel free to contact me for any further research, if your questions have not been fully answered, or you have an interest in more specific details of what has been uncovered so far.

My best wishes.

Vesa Nelson

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Librarian