

SINGLE-TAX TOWN PROSPERS ON GULF

In Fairhope Colony, Nobody
May Sell Land, Everybody
Pays One Property Value

Special to The New York Times

FAIRHOPE, Ala., Aug. 7—On a bluff above the Eastern shore of Mobile Bay is a small clearing in the thick forest of present-day taxes.

The clearing is better known as the Fairhope Single Tax Colony, a corporation of individual leaseholders of colony land. Although the colony itself occupies only about one-fifth of the land inside the corporate limits of the City of Fairhope, its impact upon the economic, civic and cultural life of the community is in far greater proportion.

The Fairhope Single Tax Colony came into existence in 1895, as a result of the determination of five men in Des Moines, Iowa, to put to practical test the single-tax ideas of Henry George, famous advocate of the single-tax view.

Oldest in U. S.

Fairhope's colony today is believed to be the largest of all single-tax groups in the world, with the possible exception of a kindred project in Canberra, Australia.

The Georgian view of single tax, reduced to simple terms, is:

Land should be made accessible to all individuals who would make use of it themselves; the practice of land speculation for profit and absentee landlordism is not only a drag upon the economic body, but also is in basic disagreement with the land and liberty tenets of democracy; the only just charge for the use of land is in the form of economic ground rent, the income from which would be expended for the community's common good.

Economic ground rent, under the single-tax plan, is determined generally on the basis of to what the land is suited for; the popular demand for similar land, and sometimes upon what value is placed upon privately-owned land in the same area.

The major difference between single-tax land and privately-owned land, is that you may never sell single-tax land. It belongs to the single-tax group of which you are a member. You may build a home or a building or cultivate a farm on your leasehold, and then you may sell those improvements and your crop. But the land remains.

Of the five in the original Iowa group, only James Bellangee, S. S. Mann, James P. Hunnel and Ernest B. Gaston became residents of Fairhope. They were joined by early settlers from Iowa, Ohio, Pennsylvania, Missouri, Minnesota and the Pacific Coast.

Chose Poor, Cheap Land

The single taxers selected their site on poor, wooded land because it was cheap. There was only \$1,000 in their land fund. They purchased an original 135 acres for \$771.

Today the Fairhope colony owns approximately 4,000 acres in Fairhope and Baldwin County.

In exchange for rent, the colony pays its lessees' city, county and State taxes on the property they lease and the improvements they make on the leased land. The colony also now pays its lessees' automobile ad valorem tax and poll tax. Land rents are due semi-annually.

To become a leaseholder of colony land, an individual makes application for land and pays half the first year's rent. If found acceptable by the colony—and colony by-laws are not too stern—the applicant is granted a ninety-nine-year lease. The lease passes to the lessee's heirs, and is renewable.

If the applicant wishes to lease land already under lease to another person, and on which improvements exist, both parties submit to the colony the proposed purchase of improvements. If colony officers decide that the purchase price is excessive and speculative in amount they may refuse to approve the lease transfer—the buyer and seller may appeal to a committee of three disinterested persons. The committee's decision is final.

Only Members Vote

One does not have to be a member of the Fairhope Single Tax Corporation, legal parent of the colony, to lease colony land. The majority of the leaseholders in the Fairhope colony are not members. An individual may apply for membership in the Single Tax Corporation upon payment of \$100. Only actual members of the corporation have voting rights.

Rents are fixed each year. Full rights of appeal are provided in colony by-laws. There has been only one general rent increase since 1947. That increase took effect this year, although colony land rent compares quite favorably with rents on non-colony land in the area.

C. A. Gaston, a son of Ernest B. Gaston, one of the colony founders, is secretary of the colony, as was his father. He is the only full-time officer of the group. His sister, Mrs. Francis Gaston Crawford, is editor of the weekly Fairhope Courier, inherited from the elder Mr. Gaston.

Rents on colony land in 1953 amounted to \$66,888, Mr. Gaston's annual report revealed. The only other major source of income was \$3,710 received by the colony for oil leases on untenanted land. Total annual income was almost \$75,000. Major disbursements during the year included \$29,334 paid for lessees' taxes, and \$34,408 expended for lands, highways and property.

Until recent years the historical tax pattern of the city of Fairhope has been affected undoubtedly by the single-tax view of the colony. At first, the city levied only a property tax. More recently, however, as demand for municipal services have grown, the city has levied liquor and beer taxes, an amusement tax, and quite recently, a busi-

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FAIRHOPE COURIER/O-20-55

Fairhope Gets Publicity in Birmingham News Sunday Magazine

The Illustrated Magazine Section of The Birmingham News for October 9 featured Fairhope and its Single Tax Colony with a two page spread and a special announcement on the cover. The article was written for the News by John R. Chadwick of the editorial department, who, with his wife, is a frequent Fairhope visitor and keenly interested in our unique demonstration of a more just means of acquiring public revenue.

While, as in other such articles, some statements are not quite true to fact, in most cases these lead to no damaging conclusions. When the issue was delivered to the News office from Louisville where it is printed Mr. Chadwick discovered an error that probably resulted from the omission of a line or inaccurate proof reading. It states that the Colony Secretary "believes social trends in government mean that some form of single tax is inevitable. Socialism is Dr. Gaston's broad conclusion." Since the entire issue had already been printed no correction was possible.

Mr. Chadwick had intended the article to state it to be Dr. Gaston's opinion that the present trends of government indicated that the unhappy alternative might be Socialism. In selecting a policy for the governing of their colony experiment some of Fairhope's founders did give consideration to both socialism and the single tax. The single tax was selected because they saw in it the means of expanding the opportunities for the individual initiative and free enterprise which they deemed so essential to securing the greatest progress. Socialism was rejected because it was their opinion that it must necessarily result in a sac-

crifice of many existing opportunities for these two essentials.

Another statement that might lead to erroneous conclusion is that with reference to the economic rent of land which it is the purpose of the Single Tax Colony to collect for public use. The article states that the rent of land in the Colony is "determined generally on the basis of to what use the land is devoted." Rather it is governed by that use to which the land might be best devoted in the interest of the community. The Colony lessee who holds lease to valuable land must pay rent on the basis of that value whether or not he puts it to its most suitable use. This discourages the holding of Colony land out of use or the using of it for inferior purposes. This is probably the reason Fairhope has developed so attractively.

It is most gratifying to the Courier to have The Birmingham News favor Fairhope and the Single Tax Colony with such prominence in its most attractive illustrated magazine section. All such publicity is helpful in drawing attention to

the economic measure the Courier believes so essential to the maintenance of our American way of life.