A Self-Evident Fact.

From Puck of September 15, 1897, and of September 25, 1912. Reproduced by courteous permission of the Editor of Puck.

Uncle Sam (to the other Powers): "Say, I want you fellows to distinctly understand that I am not racing with you!"

CONDENSED EDITORIALS

HOW IT GROWS.

Daniel Kiefer in the Cincinnati Post.

In 1903 Tom L. Johnson was a candidate for Governor of Ohio.

The issue was Singletax. At least, that is what the Cincinnati Times-Star, Cincinnati Commercial Tribune, Cleveland Leader, Ohio State Journal and other veracious organs of plutocracy said. They shouted themselves hoarse over the matter, describing the Singletax as being about everything that it is not.

Johnson was defeated by 114,000 majority.

In 1912 a Constitutional amendment was voted on in Ohio, providing for the Initiative and Referendum.

The issue involved in its acceptance or rejection was the Singletax. At least, so said all the aforesaid organs of plutocracy, their heirs, assigns, associates, bosses and hired men. Perhaps they would like to admit now that they were only lying.

There was the same shouting, the same misrepresentation and the same appeal to ignorance and prejudice. But it carried by 80,000 majority. The voters had done some thinking during those nine years.

EDITORIAL CORRESPONDENCE

TAX AMENDMENTS IN OREGON.

Portland, Ore.

There are five tax amendments "before the house" in Oregon this year.

Two are amendments submitted by the legislature of 1909 and rejected by the voters in 1910: (1) Providing for a uniform rule of taxation and for the levy and collection of taxes for State purposes and for county and municipal purposes on different classes of property; (2) permitting taxes to be levied upon different classes of property at different rates, but providing that taxation must be uniform upon each separate class of property within the territorial limits of the authority levying the tax.

Each of those amendments was rejected by the people of Oregon in 1910, and at the same time the people approved our "County Home Rule" tax amendment.

Immediately after the election it became evident that Big Business did not approve the decision of the voters in regard to those three measures. The day before the 1910 election The Oregonian, which is the mouthpiece of Big Business, briefly described the County Home Rule amendment, said it was bad, and advised the voters to kill it. Previous to election day neither The Oregonian nor any citizen of Oregon found any "trick" in the County Home Rule Tax amendment; and there was no trick in it. But as soon as it was known that the Home Rule amendment had been approved, The Oregonian raised the alarm that the amendment had been carried by "trickery!" that the ballot title, prepared by the Attorney General, did not describe the meaning of the measure! that the voters had been deceived into the belief that it did nothing more than abolish poll taxes, and that this was a "trick" because the legislature of 1909 had "abolished poll taxes in Oregon!"

In its report to the legislature of 1911, the State Tax Commission reiterated substantially what The Oregonian said, and advised the legislature to resubmit the two amendments that had been rejected, on the ground that the people didn't know what they were doing when they rejected them. They also advised the legislature to submit a repeal of the County Home Rule Tax amendment, on the ground that the people did not know what they were doing when they approved that amendment. The inference is that in the opinion of the State Tax Commission, every measure submitted at one election should be re-submitted at the next election, on the ground that the people blunder in rejecting as well as in approving measures.

"The statement that the legislature of 1909 "abolished poll taxes in Oregon" is false. It did repeal the "State poll tax law," but did not repeal the county and road district poll tax law, the result being that in 1909 and 1910, county and road poll taxes were collected in almost every county in Oregon, according to the written statements of county clerks.

Anyway, without looking into the matter, the legislature of 1911 followed the advice of the State Tax Commission, which was the voice of the Esau of Big Business, re-submitted the two rejected tax amendments, and submitted a repeal of the County Home Rule Tax amendment, except that part prohibiting poll taxes. That is, it has asked the people to repeal the portion of the amendment giving the people absolute power over tax laws, but added to the repeal measure a nice little provision prohibiting the legislature from passing any tax or exemption law under the emergency clause.

That emergency clause toy is supposed to be full compensation to the people for giving up their absolute control over tax laws. But it isn't.

The County Home Rule Tax amendment, in addition to giving the people of any county the power to tax or exempt any property, also prohibits the legislature from enacting any tax law "without the consent of the people;" and that is the sin committed by the people against the legislature, the State Tax Commission and Big Business.

The emergency clause toy offered to the people by the legislature, under the guidance of the State Tax Commission and Big Business, means this: As the County Home Rule Tax amendment now stands, any tax or exemption law passed by the legislature must be submitted by the legislature to the voters at the next general election, and such voters as object to the laws submitted will not be at any expense or trouble in getting up referendum petitions and paying circulators for signatures. But under the repeal amendment, the legislature might easily pass a dozen tax and exemption laws "without the emergency clause," and if any voters objected to those laws they would have to stand the trouble and expense of preparing Referendum petitions and hiring circulators to get signatures.

Under the amendment as it stands, the legislature can refer to the voters as many tax and exemption laws as it pleases, without expense to the legislature or the people; but under the proposed repeal amendment the legislature could make the referendum practically prohibitive on account of the expense.

The fourth tax amendment, authorizing income taxes that may be "proportional or graduated and progressive," and permitting "reasonable exemptions," is proposed by the State Tax Commission by Initiative petition.

In opposing this amendment we have pointed out that it is unnecessary, because the County Home Rule Tax amendment gives the people power to make income tax laws if they wish to do so; because if any person's income is derived from his earnings it should not be taxed; and that incomes derived from some power to appropriate the earnings of others will be fully reached by the proposed Graduated Specific Tax and Exemption amendment.

More than that, the Graduated Tax and Exemption amendment, which I shall explain next, will reach potential incomes, which an "income tax" does not reach. It will reach ground rents to be derived from the ownership of valuable unimproved city lots and lands to the extent of thousands of dollars a year where an income tax would not return one cent.

The fifth tax amendment, which is creating more commotion and acute pain in Big Business and political circles than all other measures on the ballot this year, is the Graduated Specific Tax and Exemption amendment, which has been proposed by Singletax men in Oregon.

As has been explained in The Public, it exempts from tax all personal property and improvements on, in and under land, except in those counties in which the people decide by vote to tax improvements and personal property. But it does not exempt from tax any community-made land value, or raw-land value, or "people value" of land, not even to the extent of $5.

It is worth while to emphasize that statement, because some Singletaxers have an idea that all land values amounting to less than $10,000 under one ownership are to be exempt from tax under this amendment. That supposition is based upon the fact that land values, water powers and franchises and rights of way amounting to more than $10,000 under one ownership are subject to a graduated tax upon the owners, in addition to the regular general and special tax levies. The graduated tax falls upon the owner as "owner;" the regular general and special levies are against the property itself.

For example, a Portland lot assessed exactly $10,000 in 1910 was taxed 22 mills, or $220, under the present tax law. If the Graduated Tax amendment had been in effect the tax would have been $225. Suppose another lot worth $10,100. Under the present law the tax would have been $222.20; under the Graduated Tax amendment the graduated tax on the owner would have been 25 cents, and the levy on the lot would have been $227.25, making a total of $227.50 of tax on owner and lot.

The rate of 22 mills in 1910 included all State, county, city and school taxes. On a lot assessed $500, the 1910 tax was $11; under the Graduated Tax it would have been $11.25. The graduated taxes on owners of more than $10,000 of land values, or water power values or franchise and right of way values would have paid about one-third of the total revenue of the county, for all purposes, so that the mill rate would have been increased from 22 to 22.5 mills. That disposes of the objection that a man owning a lot upon which he intends to build a home would be ruined by the proposed amendment. His tax would be only 5 cents more per $100 of assessed value of the lot, using the 1910 figures of assessments and total tax levies.

One feature of the Graduated Tax and Exemption amendment that disturbs the appropriators of community-made or "people" values is that the graduated tax on ownership reaches the owners of valuable leased lots where the leases provide that the lessees shall pay all taxes on "the property."

It is said that the proposed Graduated Tax is unfair, and collides with the Constitution of the United States, because it attempts to impose the graduated taxes on assessed values within "each county" instead of "within the State." Take a railroad company, operating in ten counties, with total franchise and right of way values amounting to $23,000,000. On the alleged "fair" plan of imposing the graduated tax on assessed values "within the State," the graduated tax would be $688,150, with regular general and special levies in addition.

But under the county plan, assuming that the assessment is equally divided among the ten counties (assuming this merely for illustration), the total graduated taxes of the company in the State would be only $50,500, with regular general and special levies in addition. According to the "fair" plan suggested by the State Tax Commission—after consultation with some eastern experts—the railroad would pay $637,650 more in graduated taxes than under the proposed plan, in addition to regular and special levies.

If our graduated amendment is approved, and the railroad lawyers rush into court with a demand for

that "fair" plan, I want the moving picture rights for that legal Marathon.

W. G. EGGLESTON.

DIRECT LEGISLATION IN MAINE.

Skowhegan, Me.

At the State election in Maine Sept. 9th, two questions were voted upon by the people. The first was submitted under a referendum secured by the State Republican organization, on some amendments to the ballot law passed by the Democratic legislature. The second was a proposed constitutional amendment to authorize a $2,000,000 bond issue for good roads, submitted by the same legislature direct. Both measures were adopted by large majorities, but the striking feature of the result was the large vote cast. Upon the ballot law amendments, 75 per cent of the total vote was cast, and upon the good roads amendment 71 per cent. The official figures are as follows:

Total vote for governor		142,003
"Yes" vote on ballot law	72,816	
"No" vote on ballot law	33,884	
		106,700
"Yes" vote on good roads bond issue	80,619	
"No" vote on good roads bond issue	21,454	
		102,073

How is this for an intelligent electorate?

C. M. GALLUP.

THE CALIFORNIA SITUATION.

San Francisco.

On September 27, when this is being written by a Californian who has just traversed the State, Wilson has gained "for keeps" a large part of the shattered and scattered Republican vote, and keeps also the normal Democratic strength. State pride on Johnson's account has helped the new party, but now the quiet thinkers are definitely saying that Johnson is needed for a second term as Governor. Roosevelt's speeches did him no good. Pinchot's work certainly helped the new party. Kent has a hard row to hoe, but has very earnest supporters. Bryan received a remarkable welcome in California. Theodore Bell's defeat in the Democratic committee meeting has strengthened the belief that Wilson is soundly and safely for progress.

CHAS. H. SHINN.

INCIDENTAL SUGGESTIONS

LAND-TAX ASSESSMENT METHODS.

San Francisco.

E. W. Doty's article in The Public of August 23d (page 799) is the first statement I have seen in print of the great practical weakness of the Single-tax—its lack of a method of assessment.

Land values are produced by (1) site advantage and (2) expectation that it will always be possible to secure an increase by putting money into title deeds. As any application of Singletax approaches perfection (the taking of total rental value in taxes), the second factor will be eliminated and a new basis of assessment will have to be found. If that basis can be found now, the problem will be solved for all time. For, however details may change, the basis will not change when the right one is found.

"Progress and Poverty," book iv, chapter ii, paragraphs 7 to 17 (pages 232-240, library edition), seems to me to indicate the factor that determines the site advantage of land—relation to the nearest trading point. The tabulation of assessments of all communities of a certain size should show the value given by that number of people to the most valuable lot in the community, and the lessening of values in comparison with recession from that point. The same method should show agricultural values in relation to the same point.

This method would give a reasonable basis for an arbitrary starting point, to find out what the site advantage really is. The starting point must be arbitrary in any case, and the virtue of the one found in this manner is that it is based on the factor that will be used when a perfect system of assessment is arrived at.

I also believe the same method, with the help of the Somers system, could be applied to cities of all sizes.

CHARLES K. HALE.

A "CAMPAIGN SYMPOSIUM DINNER."

New York, Sept. 27, 1912.

The second propaganda dinner of the Manhattan Single Tax Club for the season of 1912-13, Kalil's Rathskeller, 14 Park Place, New York City, Saturday, October 12, at 6 p. m., will be a dollar "Campaign Symposium Dinner"; and as a protest against the iniquitous and undemocratic custom which denies one-half the race the right to complete participation in civic matters, the Club has invited representative women to discuss the issues of the present year, and thus demonstrate the folly of ascribing exclusive political intelligence to the male sex.

The Club has secured speakers of exceptional ability and reputation. Amy Mali Hicks will preside, and the several political faiths will be defended as follows: Republican Party, May Wood; Democratic Party, Eva MacDonald Valesh; Progressive Party, Alice Carpenter; Socialist Party, Marie Jenney Howe; Anarchism, Emma Goldman.

JOHN T. McROY.

Seek your life's nourishment in your life's work. Do not think that, after you have bought or sold, or studied or taught, you will go into your closet and open your Bible and repair the damage of the loss which your daily life has left you. Do those things, certainly, but also insist that your buying or selling, or studying or teaching, shall itself make you brave, patient, pure, holy. Do not let your occupation pass you by, and only leave you the basest and poorest of its benefits, the money with which it fills your purse. This is the life that, indeed, "catches the quality of the life of God."—Phillips Brooks.