

THE BULLETIN

OF THE MANUFACTURERS AND MERCHANTS FEDERAL TAX LEAGUE

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No. 2

"POWER" SEEKS TO CONTROL EDUCATION

Not within the last two decades have facts so shocking been revealed as those which the Federal Trade Commission is now bringing out in its investigation of the privately-owned public utilities. "University teachers," writes Prof. Irving Fisher of Yale in the Chicago Daily News, "have been employed as representatives of the utility companies; university extension courses have been planned for the main purpose of combating public ownership; textbooks condemning public ownership written by men employed by the utility companies have been 'introduced' into the public schools in several states; millions of dollars have been expended to send out speakers and to flood the country with literature condemning undertakings by the public in the interests of the public; highly paid lobbyists haunt the halls of legislative bodies to further the interests of the power companies and to block legislation on behalf of the people; elections have been 'influenced' and officials have been 'approached' by representatives of these companies. The record is not sorry."

And what is the public going to do about it?

RADIO COMMISSION FAVORS MONOPOLY

"Like all the commissions entrusted with regulation of public business," says the American Economic League at Baltimore, "the recently created Federal Radio Commission is behaving in a way that least serves the public interest. It has arbitrarily taken steps to banish from the air certain broadcasting stations, and among these, as any one who knows the habits of such commissions may have guessed, is Station WEVD the recently established Debs Memorial Station.

Of course the excuse is the fact that there is not room for all in the air. That excuse may hold for exclusion of some but not for arbitrary selection. The air belongs to all. If we cannot all use it then the fair thing is to establish rules that will require those allowed the privilege of sending radio messages to pay the full rental value for its monopoly. This rental need not consist entirely in money. It may be a requirement that a part of the time be allowed to those that are denied the right to operate stations of their own. Then these may be required to pay into the public treasury—not to private monopolists—their proportionate share of the rental. That would be fair to all. But unfortunately the Radio Commission is more inclined to make the air a private monopoly as was long ago done with the land."

Says I to myself, says I the Bulletin is the paper to buy.

POISONING OUR PUBLIC SCHOOLS

How the Ely Institute in Northwestern University, Masquerading Under the Cloak of "Research," is Miseducating the Youth of America for the Benefit of the Corporations Supporting it

By EMIL O. JORGENSEN

(This article first appeared in a circular sent published by the Education Protective Association of America, 1244 Altgeld Street, Chicago, Ill.)

Shall the public schools and colleges of the United States be poisoned? Shall they be turned from agencies for education into agencies for propaganda—propaganda to advance the selfish interests of a few? These are questions which the American people are now called upon to answer.

Within the last few years a silent but prodigious effort has been launched by dominant economic groups—the same groups that in times passed have bribed editors, bought judges and corrupted legislators—to exploit the public school system of the United States to promote their own selfish ends. In this effort they are being aided and abetted by certain university professors—professors who have a greater love for wealth and position apparently than they have for the general good of the whole people. As a result there is now pouring into our schools, colleges and universities, and from there out into the private walks of life, a widening stream of biased information regarding the ownership and control of property that may, in the opinion of many thoughtful men, sound the death-knell of economic liberty in America.

One of the dominant groups referred to is the privately-owned public utilities—sometimes called the "power trust." How these privately-owned utilities are using our school system in their effort to mold public opinion against municipal ownership and in favor of milder regulation, higher rates and "watered" stock, is now being brought to light by the Federal Trade Commission. The methods which the Federal Trade Commission finds the utilities to be employing are, to quote the people when they read or hear about it, and belong, as Gifford Pinchot has well expressed it, "in the same class with the stealing of votes."

Says the "Christian Century," in its issue of June 7, 1928:

"The evidence now being brought out before the trade commission is so sensational in its nature that it is almost impossible to overstate its significance. It indicates that the public utilities corporations of the country have brought to a high degree of perfection the technique of presenting their propaganda to a public in such a way as to pass for disinterested news or the objective conclusions of impartial students. It has been shown that these public utilities agents have succeeded in bringing about revision of textbooks in the public schools; that they have paid teachers in private and state colleges for services as public lecturers and writers of pamphlets; that they have induced newspapers by the hundreds to print as news or as editorial writing matter which originated with the corporation press agents. And all of this has been done without public knowledge."

Who are some of these professors or educational bodies that are thus carrying on in the schools propaganda for the benefit of the public utility corporations? One of them—the leading one probably—is the "Institute for Research in Land Economics and Public Utilities" at Northwestern University. This Institute was organized in Wisconsin University in 1920, was moved to Northwestern in 1925, and according to its founder and director, Prof. Richard T. Ely, its purpose is to investigate the various problems pertaining to land, public utilities, taxation, etc., and to investigate them in an "impartial and disinterested manner."

Records in possession of the Federal Trade Commission, however, disclose the fact that the Ely Institute has received from individual public utility corporations tens of thousands of dollars in addition to an appropriation from the National Electric Light Association of \$75,000; that the "facts" it has gathered and the reports, pamphlets and text-books it has published are decidedly favorable to the corporations from which its contributions are secured; and that its graduates—graduates trained for teaching positions in the higher educational institutions of the country—are among the most outstanding defenders of the public utilities.

But this is not all. The documents of the Federal Trade Commission show that the Ely Institute has gathered unto itself, from all parts of the nation, educators who have always been friendly to the utility interests—men like Prof. B. H. Libbard of Wisconsin University who repeatedly has fought legislation that would reduce the utilities' profits; men like Dean Ralph E. Heilman of Northwestern University who is secretly paid by the utilities to address gatherings of students and teachers and who, it is interesting to note, obtained for Samuel Insull—leading power magnate of the United States, Northwestern University trustee, and chief contributor to the slush fund of Senator-recipient Frank L. Smith—the honorary LL. D. degree; and men like Dean C. O. Ruggles of Ohio University who is paid \$15,000 a year and expenses by the N. E. L. A. to "survey" text-books and establish utility courses in American schools and colleges.

(Continued on page 8)

THIRD HENRY GEORGE CONGRESS WILL MEET

The Third Annual Congress of the Henry George Foundation of America (1306 Berger Building, Pittsburgh, Pa.) will be held in Chicago at the Congress Hotel September 10-12. Arrangements are being made for a large gathering and from all indications it is going to be one of the most successful conventions of its kind that has so far been held. Many speakers of prominence throughout the country have already indicated their desire to attend.

FARMER IS DOOMED, DECLARES PROF. DODD

"There is no hope for the farmer," says William E. Dodd, Professor of History of the University of Chicago. "The victim of every deflation for a hundred and fifty years," he writes in the Century Magazine for May, "the tough-fibered, red-necked tiller of the soil, with no wilderness left him as an asylum, must, like the Indian 'march on,' or reverse his course and hasten to the city, seek a place under the labor roof and endeavor to exploit his fellows." "The farmer," he writes, "is a dung-hill, grip his peasant's hoe and doff his dirty cap to superiors who command him—the role that twenty generations of his forbears played on the ancient hills and plains of Europe."

Not a very high testimonial of the usefulness of our agricultural colleges, is it? After an existence of more than half a century, after the expenditure during this time of billions of dollars and the hiring of tens of thousands of teachers and experts to "improve the lot of the farmer"—after all this, the American farmer is, according to Prof. Dodd, steadily sinking to the level of the peasant-rinky classes of Europe!

CHICAGO'S TAX LISTS ARE TO BE PUBLISHED

After a battle lasting over a year the citizens of Chicago are to learn how much real estate taxes their neighbors are paying. The State Tax Commission, after having been invested with the necessary authority, has definitely ordered the tax lists published—the first time it has been done in thirty years. Each of the million or more property owners in the county will receive one of the lists for his particular district. Mailing will start early in July and be completed before Sept. 1.

In addition the State Tax Commission has ordered the 1927 quadrennial assessment of real estate for the whole county thrown out and a new valuation made along scientific lines. This valuation must be completed within another year.

Kindly notify THE BULLETIN when you change your address.

THE BULLETIN

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A CHANCE HERE FOR A TAX-FREE CITY

"Plans are taking shape," says LABOR published in Washington, D. C., "to reclaim and use the Hackensack Meadows, a tract of some 40,000 acres of marsh land on the Jersey shore, nowhere more than 10 miles from the lower part of Manhattan Island. About 200,000,000 cubic yards of earth are needed to raise the marshes 10 feet above high tide; but most of this can be secured by straightening the Hackensack river, and the rest from improvements along the harbor front. Now a waste, breeding billions of mosquitos, and half of it impassable, this region can be made to furnish homes for 700,000 people, with parks and canals that will bring in something of the quaint charm of Holland.

It is a fine project, but if carried through the state or some other public authority should follow the plan of Australia in building her capital. There, the public took over all the land at what it was worth before the city was built—and rents on the improved site are fast paying for the entire construction.

With a little foresight and a lot of energetic fighting against special interests, a city can be built on the Hackensack marshes embodying every modern improvement and tax-free for generations, if not forever."

THE FOOLS AS BAD AS THE RASCALS

"Unfortunately, the conclusion can hardly be escaped," says PUBLIC AFFAIRS in its June issue (Ira Nelson Morris, Editor) "that some college professors 'sold out,' body and soul to the utilities. It is equally important, practically if not morally, that any number of other college professors were so uncritical that they swallowed the public utility propaganda whole. In fact, one may almost consider the obvious supercharges the more admirable characters. At least, they had intelligence enough 'to collect' for what favors they granted.

"It would appear to the average American citizen that any college professor who is so recreant to his sense of duty as to sell out to utility corporations ought to be summarily bounced from his collegiate job. It is possible that this may be done, but improbable. The American sense of moral obligation is of late woefully lacking. However, if there is punishment to be visited upon those who have taken the utilities' shilling, what is to be done to those college professors who have played the utilities' game through pure stupidity? Is there no limit to the dumbness permitted in college faculties? If we are to turn out the rascals, why should we not also turn out the fools?"

HOW BOND ISSUES SHOULD BE FINANCED

Future bond issues should be based upon the annual net income from land to prevent their face value and interest charges from being charged into production costs and becoming a burden upon labor and capital. The effect of basing bond issues upon the exchange value of future production (labor products) may well be illustrated as follows: Imagine a man, engaged in digging a ditch, who, because of his stupidity, constantly piles the earth ahead of him, instead of throwing it to the right or left. Now, it would at once occur to you that this man was by his own efforts, increasing his future labor by piling the earth in front of himself. The economic effect of bond issues based upon the value of labor products increases the future burden that labor and capital will have to bear. The future selling price of commodities will be increased by bonds based on the taxation of labor products, and at the same time the commodity purchasing power of future incomes will decrease in direct ratio to the increase of the taxes necessary to provide sinking fund and dividend payments on the bonds.

Why pile up this staggering burden upon labor and capital, when it could be easily avoided by basing all taxation necessary to finance future bond issues upon land values?

Why levy a tax whose economic effect is to decrease production, increase the selling price of commodities, decrease the commodity purchasing power of individual income and unjustly burden both labor and capital?

Why tax society's assets? (Improvements—labor products). Why not tax society's greatest liability (land value) profiting thereby from increased production, decreased selling price of commodities and land, increased commodity purchasing power of individual income, liberating both labor and capital of their heaviest burden!

Will society, like the man in the ditch, continue piling up ahead of itself an enormous bonded debt, or will it finance its present and future needs from the revenues to be obtained from bonding its exclusively created product—Land value?

The taxation problem will be quickly solved when men have learned that there exists a vast economic difference between taxing labor products and land values.—John M. Holmes, Lieutenant Supply Corps, U. S. N., in his pamphlet "Untaxing Industry."

THE UNIVERSALITY OF LAW

The great fact which Science in all her branches shows is the universality of law. Wherever he can trace it, whether in the fall of an apple or in the revolution of binary stars, the astronomer sees the working of the same law, which operates in the minutest divisions in which we may distinguish space, as it does in the immeasurable distances with which his science deals. Out of that which lies beyond his telescope comes a moving body and again it disappears. So far as he can trace its course the law is ignored. Does he say that this is an exception! On the contrary, he says that this is merely a part of its orbit that he has seen; that beyond the reach of his telescope the law holds good. He makes his calculations, and after centuries they are proved.—Henry George.

ENCLAVES OF ECONOMIC RENT

Mr. Fiske Warren of Harvard, Mass., has performed another great service to students of political economy by publishing the sixth volume of Charles W. Huntington's book "Enclaves of Economic Rent." This book contains a complete and historical account—the charter, constitution, list of members, leases, rentals, etc.—of the eight enclaves or "single tax colonies" distributed over the world. In the same book also are other valuable articles including a "Historical Account of the Application of the Principle of the Single Tax"—the latter consisting of quotations from the writings of Joseph Dana Miller, James D. White of England and Emil O. Jorgensen. The book contains 282 pages, is excellently printed and bound in blue cloth. Silver topped. Price \$4.00.

THE McNARY-HAUGEN VETO

Editor, THE BULLETIN:

I trust you are seizing the opportunity to broadcast in the most effective way possible an answer to the following paragraph in the McNary-Haugen veto:

"The recurring problem of surpluses of farm products has long been a subject of deep concern to the entire nation, and any economically sound, workable solution of it would command not only the approval but the profound gratitude of our people."

Herbert Quick's "The Real Trouble with the Farmers" and other material which you must have would furnish a concise program that could almost be forced upon one of the national conventions and can at least be made a leading issue next winter with the right kind of preparation. Let me give you any desired help in this direction.

GLADWIN BOUTON.

19 Eagle St.,

Tonawanda, N. Y.

Statement of the Ownership, Management, Circulation, Etc., Required by the Act of Congress of August 24, 1912, of Bulletin of the Manufacturers and Merchants Federal Tax League, published quarterly at Chicago, Illinois, for April 2, 1928.

STATE OF ILLINOIS.

COUNTY OF COOK, ss.

Before me, a Notary Public in and for the State and county aforesaid, personally appeared Emil O. Jorgensen who, having been duly sworn according to law, depose and say that he is the editor of the Bulletin of the Manufacturers and Merchants Federal Tax League, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in sections 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:

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EMIL O. JORGENSEN, Editor.

Sworn to and subscribed before me this 21st day of March, 1928.

F. C. RATAJCZAK,

Notary Public.

(My commission expires Jan. 23, 1929.)

POISONING OUR PUBLIC SCHOOLS—Con.

But more than this. Disclosures made by the Federal Trade Commission indicate that representatives of the Ely Institute have frequently attended secret conferences of the utility executives, that they have made long journeys to be of assistance to their benefactors and that in many cases they are intimately acquainted with the paid agents of the utilities who have censored text-books, "doctored" information in circulars and pamphlets, bribed editors, debauched ministers and corrupted teachers—one of the most shameless efforts to mold the thought of a people for the benefit of "Big Business" that our nation has ever seen!

But the public utilities are not the only corporations whose interests the Ely Institute is endeavoring to advance under the screen of "disinterested" research. Another group—and a group of far greater consequence—is the National Association of Real Estate Boards. This Association consists of some 660 state and local boards with 26,000 active members (largely land speculators) representing the greater part of the so-called "monopoly values" in the United States. The Association is concerned chiefly with the policies of taxation. That is to say, for the same reason that the public utilities are opposed to municipal ownership of electric light plants, street car lines, etc., so is the National Association of Real Estate Boards opposed to the taxation of land values as proposed by Henry George, and for the same reason that the public utilities want less regulation, higher rates and "watered" stock, so does the National Association of Real Estate Boards want lower taxes on land values and higher taxes on personal property, business earnings, wages of labor, sales of goods and articles for consumption.

Just how much the various real estate boards, including the National Association, are contributing to the Ely Institute is not definitely known but that the Ely Institute is not merely receiving such contributions but is surreptitiously promoting through the schools the tax ideas favored by the real estate groups, all available records abundantly show.

No sooner, for instance, was the Ely Institute organized in 1920 than it embarked upon a program of "education" in behalf of the real estate interests that for sheer immensity—and subtlety—has never been equalled. First, it wrote a special article attacking the Ralston-Nolan land value tax bill in Congress, an article which was broadcast by the National Association of Real Estate Boards and which article did more than anything else probably to bring about the bill's defeat. Second, it prepared, under the personal direction of Prof. Ely himself, and for the future guidance of the Institute staff, three books called the "Outlines of Land Economics"—three books upon which an announced fifty other books are to be based, three books in which the shifting of more taxes from the products of labor to land values is strongly opposed and the shifting of more taxes from land values to the products of labor is strongly advocated. Third, it launched, first in Wisconsin University and later in Northwestern, special courses for the production of teachers in the field of "land economics"—courses leading to the Bachelor's, the Master's and the Doctor of Philosophy degrees. Last but not least, it had Ernest M. Fisher—a member of the Institute staff—and later Arthur J. Mertzke—another member of the staff—appointed Educational Director of the National Association of Real Estate Boards to aid in getting into the schools, colleges and universities of the country, the Institute's "impartial" teachers and books—the most deliberate and colossal attempt probably to poison the sources of information for the benefit of special groups of which our history has any record!

Such, then, is how our educational institutions are being prostituted to advance the selfish interests of a few.

Dare the citizens of the United States allow such a prostitution to go on? Clearly not. No greater menace to the welfare of society can be conceived. For our public schools, colleges and universities are the well-springs of knowledge. They are the institutions in which the minds of our young people are being molded—molded at their most impressionable age. Hence to allow these institutions to be corrupted—to permit self-seeking groups to inject into them unsound principles, distorted facts or false ideas for their own advantage, is to endanger the very pillars upon which our civilization stands.

This is particularly true with respect to the problems of political economy. Take, for instance, the properties of the real estate and public utility interests we have just mentioned. These properties represent over two-thirds of our total national wealth. They extract, in the shape of rents, rates and other charges—unearned as well as earned—hundreds of dollars a year from every man, woman and child in the nation—in short, the larger part of the average person's income. How these properties are to be owned, managed, operated and taxed so that justice will be done to all and wealth fairly distributed is, therefore, a matter of the most vital concern to every human being. For real estate and public utility corporations, therefore, to use our school system to teach those ideas that will increase speculation and advance rates and rents and to suppress those ideas that will eliminate speculation and reduce rates and rents—to repeat, for real estate and public utility corporations to do this and to do it under false pretenses is, as Secretary Crabtree of the National Education Association has rightly said, an offense against society and a "crime against youth."

Let us not be misunderstood. The right of free speech is not here being challenged. The public utility corporations have a perfect right to oppose municipal ownership and the National Association of Real Estate Boards a perfect right to oppose the taxation of land values or the singletax idea of Henry George if they so desire. But this opposition, especially when in the public schools, must be open and above board and not disguised under a cloak of impartiality by secretly subsidized teachers and text-books. As Dr. John A. Lapp of Marquette University said before the annual convention of the American Federation of Teachers on June 27, 1928:

"Anybody has a right to advocate anything he pleases—if he does it openly. The power trust has the right to defend private and oppose public ownership—if it does it above board. But to weave itself into public favor by subsidizing college professors, securing favorable textbooks by academic men and distributing favors both personal and pecuniary to teachers of economics is a practice that deserves the severest condemnation of all fair-minded people."

Or as the Chicago Daily News said editorially in its issue of July 6, 1928:

"The utilities invoke the principle of free speech, but this is thin sophistry. No one challenges their right to present their case at any time and before any tribunal, but they should present it frankly and openly and through avowed spokesmen. Any other method, whether direct bribery of public officials, secret and illegal contributions to party funds, the doctoring of school textbooks or the secret hiring of professors to carry on propaganda, is not only immoral, but practically unsafe."

What is thus true of the utilities is even more true of the Ely Institute. The Ely Institute as well as every other "research" organization has a perfect right to express its honest conclusions but it has no right to resort to immoral acts, deceitful practices and dishonest methods to advance these "honest conclusions." Indeed, conclusions reached by such a process, cannot by any stretch of the imagination, be honest. In becoming, therefore, the willing tool of the public utilities, the National Association of Real Estate Boards and other corporations, in prostituting its talents, not merely by the distortion of facts and the jugglery of thought but by the announcement of its conclusions in advance of its investigations—let us repeat, in thus prostituting itself the "impartial" and "disinterested" Ely Institute in Northwestern University constitutes a greater challenge to the integrity of American education and a greater danger to the welfare of the whole people, than do the corporate interests from which its tainted contributions have been secured.

Here, as the Federal Trade Commission has truly said, is the conclusion of the whole matter:

"The right of industry to present its case before the bar of public opinion is unquestioned, provided such presentation is made openly in the name of the industry and therefore without even a semblance of deception such as may be involved in subsidizing authors, teachers, universities, or research organizations in order that inspired text-books or other materials may be given greater creditability because issued over the names of supposedly impartial writers, research organizations or institutions of learning. Where this is done, the general public may well question whether the scientific attitude and integrity of established institutions of higher learning are not being undermined. Truly no greater calamity could happen either to industry or to the public than for educators, or educational institutions, to become the paid mouthpieces of economic groups."

OUR GOVERNMENT—AND THE FOOD IT LIVES ON

"When a sensible physician is called to advise upon a case of chronic indigestion, his first inquiry is concerning the food upon which the patient has lived. Bad food may not be the only cause; but if the patient's food is clearly bad, the physician reforms that, before he attempts to reform anything else. When we find society in an unhealthy state, wealth unequally and unjustly distributed, idle people rich, industrious people poor, gambling encouraged, industry and commerce discouraged, desperate and degrading poverty side by side with excessive and wasted wealth, it is not a mere delusion, as some would have us believe, which leads us to say that these are the results of bad government. But when we seek for the causes of bad government, why should we not do so as we would in the case of the human body, and ask upon what food this government has lived? Bad taxation is as certain to produce bad government and bad social conditions, as is bad food to produce indigestion and decay in the human body. And as no medicine, in the long run, can supply the place of good food, so no other social reforms can ever bring social health, so long as unjust and unscientific forms of taxation are continued."—Thomas G. Shearman in "Natural Taxation," pp. 3-4.

ORIGIN OF THE FIRST TAX-FREE FARM

"Such was the origin and such the vicissitudes of the tyranny of Pisistratus. His administration was temperate, as has been said before, and more like constitutional government than a tyranny. Not only was he in every respect humane and mild and ready to forgive those who offended, but, in addition, he advanced money to the poorer people to help them in their labours, so that they might make their living by agriculture. In this he had two objects, first that they might not spend their time in the city, but might be scattered over all the face of the country, and secondly that, being moderately well off and occupied with their own business, they might have neither the wish nor the time to attend to public affairs. At the same time his revenues were increased by the thorough cultivation of the country, since he imposed a tax of one-tenth on all the produce. For the same reason he instituted the local justices, and often made expeditions in person into the country to inspect it and to settle disputes between individuals, that they might not come into the city and neglect their farms. It was in one of these progresses that, as the story goes, Pisistratus had his adventure with the man of Hymettus, who was cultivating the spot afterwards known as 'Tax-free Farm.' He saw a man digging and working at a very stony piece of ground, and being surprised he sent his attendant to ask what he got out of his plot of land. 'Aches and pains,' said the man; 'and that's what Pisistratus ought to have his tenth of.' The man spoke without knowing who his questioner was; but Pisistratus was so pleased with his frank speech and his industry that he granted him exemption from all taxes."—From Aristotle's "Constitution of Athens," Chap. 16 (Foster's Translation.) Quoted in "The Enclaves of Economic Rent," 1925 ed., by C. W. Huntington.

ARE THE UTILITIES AFRAID OF THESE FACTS?

"It is no wonder," says the Mobile Register, "that the power interests are afraid to have the truth come out with respect to public ownership and operation of electric plants. In all cases where those plants are of any size and serve a sizable community they greatly reduce the cost of the service, and the rates are always much lower than where the current is supplied by utility companies. This is not to be taken solely as an argument for public ownership, but rather as strong evidence that the prevailing rates are too high and ought to be brought down. Utilities can produce current and distribute current just as cheaply as any other agency. The difference in rates goes into private pockets, which is all right as long as that difference represents only a fair profit on the investment. But when that difference represents an exorbitant earning, as it usually does, then it is all wrong.

A year or so ago Arthur Brisbane, Hearst editorial writer, cited Ponca City, Oklahoma, as a place where the citizens were freed from all taxes by reason of the earnings of the electric lighting plant and other municipally owned public utilities. Mr. Brisbane, as usual, permitted himself a wide margin of exaggeration, but the real facts are sufficiently good. Mayor Callahan of Ponca City says the citizens of that town pay tax sums comparable with those paid in other cities of similar size in Oklahoma. The mayor adds that "citizens are relieved from city taxes only so far as they are required for the operation of the city government. State, county and school taxes are levied as usual." But the citizens find that the moderate rates they pay for public service save them the cost of their municipal government, which is quite different from paying a much higher rate to public utilities and paying the municipal expenses in the bargain.

It is such facts as the foregoing which the power trust would like to keep from the public knowledge, and for the suppression of which they dare to tamper with textbooks, suborn professors and bend certain newspapers to the spread of their own propaganda. The trust manipulators know that when the facts are known the people will demand and receive a level of rates far below that now prevailing. But they are feathering their fortunes while they may, in order that when the day of reckoning does come, they will have their moneybags safely hidden away."

HENRY GEORGE

By Dr. FRANK CRANE

Every young person should take the time to read carefully and to study Henry George's "Progress and Poverty."

Tolstoy said: "People do not argue with the teaching of Henry George. They simply do not know it. Those who become acquainted with it cannot but agree. The teaching of George is irresistibly convincing in its simplicity and clearness."

Anything that is thus wholeheartedly recommended by such a man as Tolstoy at least deserves our passing notice.

Many learned professors scout with scorn any suggestion coming from Henry George. They consider him as a faddist and a fanatical enthusiast.

It is certain, however, that there is something wrong with our present system of taxation. It does not bear equally upon the whole population and, in many instances, it is oppressive and unjust. Those who are doing the most to promote the welfare of the country are most thoroughly fined for their activities.

Do not take what other people around you say. Think for yourself. Read Henry George. I do not hesitate to say that it is the most instructive book on political economics that I have ever read.

Henry George's books have had a circulation of more than six million in English alone, and have been translated into Chinese, Japanese, Russian, Finnish, Danish, Swedish, French, German, Spanish, Dutch, Hungarian and Italian.

We cannot resist the conviction that there must be something to writings that have been so thoroughly appreciated by the populations of the world.

Newton D. Baker, former Secretary of War, said: "I have reread this address and came away with the conviction that Henry George should be studied in all our colleges as a master of style. I know no other man of American prose, with the solitary exception of Woodrow Wilson, whose elevation of thought and dignity of language are so overwhelming."

Ebert Hubbard wrote: "The logic of Henry George's 'Progress and Poverty' and its literary style have been so insistent, that it has been studied closely by economists of note in every country on the globe. Its argument has never been answered."—Courtesy, McClure Newspaper Syndicate.

ROBERT G. INGERSOLL

We should place the name of Robt. G. Ingersoll among the great men who approved Henry George. From a clipping dated Nov. 3, 1886:

Reporter: What do you think about the vote for Henry George?

Ingersoll: I was for Henry George and before leaving New York I paired, to save my vote, I hoped that George would be elected. He wants to do something. He represents a cause. He is sincere and would have made an excellent mayor.

Nov. 4, 1886: I was for Henry George and regret his defeat. There is now a new party. The workers have begun to combine. This new party will have to be consulted in 1888. These labor questions must be settled at the ballot box, and I believe the Labor has permanently settled in this country.
C. F. HUNT.

THANK YOU!

Dear Mr. Jorgensen:
The more I read of your "False Education," the more I am inclined to give thanks that such a book could be written.

For your own personal information, a high official in public educational work to whom I gave a copy, was very enthusiastic as to its influence in checking the misrepresentations of Prof. Bly. I wish we had a few millionaires who would give a copy to every educator in the United States.

Yours fraternally,
S. S. TABER,
San Diego, Calif.

THEY ARE SLAVES

"They are slaves who fear to speak for the fallen and the weak; They are slaves who will not choose hatred, scoffing, and abuse, Rather than in silence shrink from the truth they needs must think; They are slaves who dare not be in the right with two or three."
LOWELL.

Whenever there are in any country, unscrutinized fields and unemployed poor, it is clear that the right of property has been so far extended as to violate natural rights. The earth is given as a common stock to live and labor on.—Thomas Jefferson.

THE REAL TROUBLE WITH THE FARMER

"The high speculative value of farm lands and the blighting economic effect of our present tax system," says Lieut. John M. Holmes, U. S. N., in his excellent pamphlet entitled "Untaxing Industry," just published, "have practically bankrupted agriculture. The farmers' economic troubles did not begin during the World War. They have their origin in the high speculative value of farm lands and an unjust unscientific and uneconomic system of taxation that compels the farmer to pay his taxes out of his net income, while the banker, the manufacturer and the merchant pay their taxes out of their gross incomes. The farmer pays his taxes from his net income, and, in addition pays taxes in the purchase price of all the goods or services he buys from the banker, the manufacturer and the merchant. In fact, the farmer finds that every commodity purchased by him is loaded with the other fellow's taxes capitalized into the selling price. The annals of agricultural and industrial history are replete with the catastrophes that have followed as a natural sequence of uneconomic and unscientific taxation. There is no industry or class of business men that are so ruthlessly and unjustly taxed as our agriculture and the American farmer. Substantial farm relief will

come, only, when it is recognized that the present system of taxation together with high farm land values are the two principal factors in the agricultural economy that make it impossible for the farmer to conduct his enterprise on a profitable basis.

The economic effect of proposed tariff, subsidies or equalization fees upon farm produce would be to further increase farm and other land values, and, at the same time indirectly increase the domestic price level of farm products to the American consumer. But, neither tariff, subsidy or equalization fee will effect the price of the farmer's exportable surplus that is sold in the foreign markets in competition with farm produce raised upon the low priced virgin lands of other countries.

The price of the farmers' exportable surplus, such as land and other pork products, tinned canned meats, wheat and other cereal products, are now made in the international market at a level below that of the United States.

It is so obvious as to require no demonstration that agriculture, carried on in old high priced lands, with its costs determined by high internal price levels that result indirectly from high land rents (the high wage generator), cannot prosper without a decided change in tax laws that now penalize the producer from the soil."

TENANCY—THE CREEPING PARALYSIS

It is all too true, farm tenancy, like city tenancy and all other forms of land tenancy, is on the increase and is going to continue as long as our idiotic taxation laws permit the holding of land out of use for speculating purposes. The present system is a gradual concentration of land in the hands of the few, which can only mean one thing—ultimately America will become a nation of tenants, the same as European countries. Thus the process continues; it is the fault of our system of land tenure and all the protests of all the agricultural and business interests of America can not prevent the certain result—a nation of tenants.

The one and only remedy with which to overcome the monopolization of the land by the few to the detriment of the many is the adoption of such legislation as will remove the speculative value from land.—Hartselle, Alabama Enterprise.

DOGS IN THE MANGER

Dogs in the manger, lying on the hay, Are perfect prototypes of men who play The softsame role with land they cannot use, And will not sell on any terms. They choose To strangle progress in the awful fence The land might bring a better price next year! Thus progress halts, and enterprise destroyed Creates the army of the unemployed. When common sense shall write our tax laws and Reclaim the UN-EARNED increment of land In lieu of that long line of levies laid To pilfer industry and cripple trade, LANDLUST destroyed, prosperity's rebirth Shall like a sunburst gladden all the earth.
HORATIO.

The man who begs Congress to levy a protective tariff for his benefit may not be a bootlegger but is certainly a loot beggar.

ABSURD TAXATION

The present system, which taxes buildings and improvements, capital in all its forms (and in most of our states in all its shadows), is a system of direct discouragement to production, a system which fines the man who creates wealth just in proportion as he creates wealth. Instead of acting on the principle that the man who makes two blades of grass grow where one grew before is a great benefactor, our system of taxation treats him as a public enemy.

If a man clothe a barren waste with grain and fruit trees, if he drain a swamp or open a mine, if he put up a house where none stood before, or erect a factory, or turn wood or iron into a ship; if he get him a library with which to store and exercise his mind, or a telescope with which to sweep the heavens, or a laboratory in which to seek out the laws of nature's combinations; if out of his savings he lay by a provision for his declining days; if by his energy and thrift he accumulate capital with which to assist and organize and provide the tools for industry—down comes the tax gatherer to make him pay for having done these things.

Is not this as absurd as it is unjust? Is it not in direct contravention of the plainest dictates of enlightened public policy? Do we not all want more wealth? Why, then, should we tax and fine the production of wealth?—Henry George.

"The proposal of Henry George will do more to lift humanity from the slough of poverty, crime and misery than all else; and in this I recognize as one of the greatest forces working for temperance and morality."—Miss Frances E. Willard (letter to the Chicago Question Club, Sept. 1894).

"I am a Single Taxer. The Single Tax would be the means of bringing about the saniter conditions I so much desire. . . . For sanitation is most needed by the class of people who would be most benefited by the Single Tax."—William C. Gorges, Surgeon-General, U. S. Army (Cincinnati, Sept. 28, 1914).