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ELIMINATION OF GERMAN RESOURCES FOR WAR

HEARINGS

BEFORE A

**SUBCOMMITTEE OF THE
COMMITTEE ON MILITARY AFFAIRS
UNITED STATES SENATE**

SEVENTY-NINTH CONGRESS

FIRST SESSION

PURSUANT TO

S. Res. 107

(78th Congress)

AND

S. Res. 146

(79th Congress)

**AUTHORIZING A STUDY OF WAR
MOBILIZATION PROBLEMS**

TESTIMONY OF

HON. BERNARD M. BARUCH

Before the Full Military Affairs Committee

ON

CONTROL AND OCCUPATION OF GERMANY

RELATIONS WITH RUSSIA

CARTELS AND NATIONALIZED INDUSTRIES

AGAINST FREE ENTERPRISE

JUNE 22, 1945



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LETTER OF TRANSMITTAL

HON. HARLEY M. KILGORE,
Chairman, Subcommittee on War Mobilization,
Washington, D. C.

DEAR SENATOR KILGORE: I believe that the testimony presented on June 22 before the full Senate Military Affairs Committee by Mr. Bernard Baruch on the subject of the elimination of German resources for war provides an excellent introduction to the detailed hearings on this subject before the Subcommittee on War Mobilization of which you are chairman.

I am accordingly transmitting this testimony to you so that it may appear as part 1 of your series of hearings on this subject.

ELBERT D. THOMAS,
Chairman, Committee on Military Affairs.

ELIMINATION OF GERMAN RESOURCES FOR WAR

FRIDAY, JUNE 22, 1945

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The committee met in the caucus room, Senate Office Building, at 10:30 a. m., pursuant to notice, Senator Elbert D. Thomas (chairman) presiding.

Present: Senators Thomas (chairman), Johnson of Colorado, Hill, O'Mahoney, Stewart, Austin, Gurney, and Revercomb; also Senators Guffey, Johnston of South Carolina, White, and Brooks; and Representative White.

The CHAIRMAN. The committee will please be in order.

Mr. Baruch, as we were saying before the hearing started, the period of disintegration has set in. I think I ought to repeat that, to my mind, our troubles are just beginning. The war is a rather simple affair; the peace is very complex. The single objective which we had in the war is now gone, so that definitely the period of disintegration has started.

Our job in Germany is not yet completed. The Nazi armies have been defeated, and the powerful German industrial and economic war machine has been crippled. But the United Nations are still confronted with the great task of dismantling the war machine which supported the Nazi armies as they overran Europe and challenged the freedom of the world.

Bitter experience after World War I has shown us that we must not rest until we have thoroughly and permanently removed Germany's potential for future war. It will require wise policy and conscientious administration to destroy the economic and industrial base for aggression, and to reorganize the economy of Germany on a firm basis for peace. The presence of an Allied army of occupation in Germany is itself testimony that a major task lies ahead.

The Military Affairs Committee of the Senate has a continuing interest in the German settlement as it relates to the military security of our Nation and to world peace. In the Seventy-eighth Congress, and in the present Congress, a subcommittee of the Military Affairs Committee has studied the economic warfare which was waged by Germany for the purpose of rearming itself and disarming its prospective victims. This economic warfare was begun by Germany almost immediately after the Treaty of Versailles.

The subcommittee, under the chairmanship of Senator Kilgore, will begin next week a series of public hearings on Germany's attempts to preserve and strengthen her resources for renewed aggression.

Preliminary to the subcommittee hearings, I have asked Mr. Bernard Baruch to testify on the entire problem of eliminating Germany's economic potential for military aggression. Although Mr. Baruch is appearing as a private citizen, his active participation in our mobilization for both World Wars I and II, his studies of the peace settlements of Versailles and his understanding of their inadequacies, and his present concern with these problems, makes his testimony of unusual interest and value. Mr. Baruch has only recently returned from Europe, where he studied first-hand the devastation wrought by the Nazis and met with Allied leaders on the very problem on which he is testifying this morning.

On behalf of the Senate Military Affairs Committee, I would like to express deep appreciation to Mr. Baruch for his appearance here today.

Mr. Baruch, will you proceed as you wish?

Mr. BARUCH. Thank you very much, Senator.

STATEMENT OF BERNARD M. BARUCH

Mr. BARUCH. Mr. Chairman and gentlemen of the committee, I am honored by your request to appear before you. Your esteemed chairman, in his letter of invitation, described the objective of this committee's inquiry as "the elimination of Germany's economic potential for military aggression."

No more important question ever will come before you than this one—of how to prevent the revival of Germany's war-making might. It is the heart of the making of the peace; it is the heart of the keeping of the peace.

What is done with Germany holds the key to whether Russia, Britain, and the United States can continue to get along. It will affect profoundly the jobs and livelihoods of everyone, everywhere, for none of the economic problems of the peace can be solved except in the light of German reparations policy and the measures taken to demilitarize Germany's traditional war economy.

Is it possible to control and transform a nation of more than 60,000,000 persons, with an economy as intricate and efficient as that of the Germans?

I believe it can be done. I know it must be done.

GERMANY'S THIRD TRY

It will not be easy. But if not done, we face the certainty that Germany will make a third try to conquer the world. Five times within the memories of some persons now living the Germans have waged aggressive war—against Denmark in 1864, Austria in 1866, France in 1870, against the world in 1914, and again from 1933 to 1945. This must be made the last German war.

DEFEATISM UNFOUNDED

By itself, no German settlement can be enough. If this is to be a sure peace, we must be prepared to see the peace through with an international organization to maintain common unity among the

Allies, with a determined preparedness, including universal military training, with an as-long-as-it-takes occupation of Germany, with the judicious use of our great productive power, and a living faith in our democracy strong enough to give the world the moral leadership in progress toward greater freedom and steadily rising living standards that America has stood for since its creation.

The defeatism that prevails in the minds of some is unjustified. At the close of any great war there are always some who despair of the future. It was that way after the last war. We have only to learn the lesson of these two World Wars and work at the peace and we need not fear what the future holds in store for us—a new Cave Age of bomb shelters or prosperity and security for ourselves and our children.

BOLD LEADERSHIP NEEDED

The time has come to end piecemeal peacemaking and to write the peace in Europe as an entirety. In this total peacemaking America should move forward with a positive program of bold leadership.

It is important that we think of the condition of the peoples involved in the war. What are the hopes and fears of the people in Russia and England? In the countries completely overrun by the Germans, many have lost faith in government, in themselves—in everything but force. Seared and scorched, they do not know where their next meal is to come from; how they will be able to make a living in the future. Not only physical but great psychological lesions will have to be healed in the peacemaking.

All these people look to the United States as the one great untouched reservoir of productive resources in the entire world. We have no problems of physical reconstruction. Yet, these people must be made to realize, we cannot do all they would ask of us and survive ourselves. They must relearn self-reliance. With wisdom we can use our productive capacity to lead the way for these countries to help themselves so that together we can implement one another's security.

To Russia we can show the means of making herself so strong she need not fear Germany; and this while permitting her to reduce military expenditures, leaving more for lifting the living standards of her heroic people.

EXPANDING TRADE FOR BRITAIN

To Britain we can show the way to expanding world markets, steering her away from an economic war that could only be disastrous to her and the world.

To the United Nations we can direct a converted arsenal of democracy to aid in establishing a new peaceful economic equilibrium with increased numbers of jobs and steadily rising standards for all.

DON'T OVERPROMISE

We cannot do this by promising more than we can deliver. We can by organizing priorities of production for peace—so that our vast productive capacity is directed to where it will do the greatest good. In return, we need ask only that the terms of the peace square with the American conscience. Which is not to say that we—or anyone else—can have all we want.

STRATEGY OF PEACEMAKING

Effective handling of this productive power assumes a strategic, positive concept of the peacemaking, knowing what we must have and what we are ready to yield on, where American interests lie and how they can be harmonized with the interests of others. We must not find ourselves thrust into the position of seeming to have no program other than to object to the proposals of others or, by failing to move decisively, to drift into complications. We must realize that unless we are prepared to exercise leadership the peace will be shaped by other forces. A vacuum does not long remain unfilled.

To unify all of the many peace problems into one whole, integrated with the Pacific war, all governmental agencies dealing with these matters must be streamlined under a top group acting as a focus of decision for recommendations to the President. I speak of a council because with matters of such profound importance, the many different viewpoints should be examined by the best collective wisdom our Nation can muster.

NO INTERNATIONAL LOGROLLING

Our peacemaking must rise above any and all questions of partisan politics, above any pressure group or vested interest—whether on the right or left, at home or abroad—above any individual's desires for kudos or headlines.

We must be alert not to slip into the temptations of international logrolling, of handling conferences as if they were mere political conventions, of writing peace agreements as if they were political platforms to mean different things to different men. If the stakes of war are mortal, the stakes of peacemaking are life giving and they require methods and thoughts of heroic stature, worthy of the stakes.

THE GERMAN PROBLEM

At Yalta an excellent beginning was made by the major powers on the German problem, covering in the main the more immediate measures for Germany's occupation. The need now is to fill in the Yalta agreement in detail and to enlarge it to settle definitely Germany's future.

Is Germany to be occupied in four zones for a certain period of time and then restored as a whole or is the occupation to be the preliminary to a lasting dismemberment into lesser parts? How long is the occupation to last? What kind of Germany do we want to end up with? Will the United Nations ask for reparations which require the rebuilding of destroyed German factories and which compel Germany to work at full tilt, thus again becoming highly industrialized and a menace to the world? Or is German war-making industry to be curtailed and if so what level of industrial capacity can safely be allowed her?

It is not enough to answer "we want an economically weak Germany." This program should be sufficiently specific—industry by industry—so all of the occupying nations know they have agreed to the same thing. It should be put into writing and made public. Until such a program is given common acceptance, the basis for peace in Europe will be lacking.

WE WANT A SURE PEACE

Any effective approach to the German question, it seems to me, must begin by recognizing one inescapable fact—there is no blinking a thorough overhauling of Germany's economy, for the simple reason that there is no "normalcy" to return to in Germany except that of war making.

Whether one wants to be nice or harsh to Germany makes no difference. War must be displaced as Germany's chief business.

Will the measures taken be thoroughgoing enough to be effective? Will they disarm Germany in a way to bring unity to the great powers? Those are the issues.

I have not thought in terms of a hard or a soft peace. I seek a sure peace.

Therefore I recommend:

Settle Germany's future

1. The earliest definite settlement of what is to be done with Germany.

Break German dominance

2. Economically, this settlement break once and for all Germany's dominance of Europe. Her war-making potential must be eliminated; many of her plants and factories shifted east and west to friendly countries; all other heavy industry destroyed; the Junkers estates broken up; her exports and imports strictly controlled; German assets and business organizations all over the world rooted out.

Priorities for peace

3. Through priorities for peace to the peoples Germany tried to destroy, to build up the strength of the United Nations in both Europe and overseas while reducing Germany's over-all industrial and technical power. Only when such a new equilibrium is established will it be safe to readmit Germany to the family of nations.

Full Soviet agreement

4. That this German settlement be used as a basis for a comprehensive, all-embracing agreement with Russia on the major peace problems. By tackling immediately and forthrightly the question uppermost in the Russian mind—security against Germany—I believe we can arrive at full understanding with the Soviets. If it is not possible, the sooner we know it, the better.

All agreements public

5. This agreement with Russia—as well as agreements with other nations—to be in writing and promptly made public in full detail. This has been a people's war. Let it be a people's peace.

General staff for peace

6. Tighten our peacemaking machinery here at home to give us the effect of a general staff for peace, charged with drawing up a master plan for the peacemaking so America can exercise the leadership which is her heritage.

Free look-see in Europe

7. America's role in dealing with Russia should be one of tolerance and fairness. Cooperation is a two-way street. I would like to see

this simple rule laid down: What we permit the Russians to do, they should permit us to do. There should be a free look-see for all the United Nations throughout Europe.

More recognition for Russia

8. The United States should use her offices to persuade those nations who still refuse to recognize Soviet Russia to do so.

Security above reparations

9. Reparations should be fixed at the maximum within Germany's capacity to pay, consistent with security and not to undercut living standards by forcing exports. Russia and other countries are entitled to labor reparations, particularly if they will include in their labor battalions the principal war makers—the Nazis, the Gestapo, Junkers, the General Staff, geopolitikers, war industrialists, war financiers—leaving the ordinary peasants and workers.

Long occupation vital

10. We must ready ourselves for a long occupation of Germany—as long as it takes for her spiritual and economic rebirth.

Supreme European council

11. Create a Supreme European Reconstruction Council to coordinate the many aspects of European reconstruction with the German settlement, reparations, and other problems.

Positive foreign economic policy

12. Develop a positive American foreign economic policy bringing tariffs, monetary agreements, foreign credits, cartels, and all other economic matters into a coherent whole which will meet this one decisive test—how to preserve the American free enterprise system in a world drifting to cartelizations of various kinds—to statism—so we can provide jobs for all? Shall we settle the shooting war only to plunge into economic war?

Raise living standards

13. Raising human standards all over the world must be a bulwark of postwar economic policy. I would insert into all financial and economic arrangements we make, a denunciation clause giving us the right to terminate any agreement which results in lowering of wages or lengthening of hours—an undercutting of human standards.

Determined preparedness

14. Finally, we must see the peace through with speedy ratification of the United Nations Organization and with a determined, enduring program of preparedness, including universal military training, adequate stock piles of strategic war materials, unflagging intensive research, and the many other things indicated by a modernized mobilization plan designed to convert our Nation in quickest order to the conditions of any possible war in the future.

The logistics of war and the potentialities of yet unheard of weapons for destruction are such we must shorten the lag in any future war mobilization or risk defeat.

PEACE A PAINFUL PROCESS

There is no use talking about peace unless you are ready to do what needs to be done to make it—and maintain it. The program I have

outlined will entail many painful adjustments. I cannot see how we can afford to do less.

The cost of two German world wars—an estimated 25,000,000 killed; and millions more left maimed and crippled, homeless and emaciated; the twice-repeated devastation of Europe; the destruction of hundreds of billions of dollars in painfully accumulated wealth; the wastes of four generations whose normal lives have been disrupted by the enemy, with the aftermath of this war still to roll over us and our children—the terrible cost of total war demands that we now resolve to accept no terms but unconditional peace.

After the last war, the victorious Allies acted as if they were determined to forget the plainest lessons of the war. In contrast, the German General Staff set about systematically to remedy the mistakes they had made. As a result, the German war machine for World War II was far more efficient, its mobilization more ruthless, yet better organized. We know how much closer the Germans came to winning; how much greater an effort in lives, time and treasure was required to beat them.

RECOVER SECRETED ASSETS

When defeat became certain, many of Germany's Junkers, Nazi leaders, and war industrialists sneaked abroad assets of every type as reserves for that day in the future when they could try it again. German business abroad has traditionally been an instrument of economic and propagandistic war. These assets and organizations should be rooted out and taken over—everywhere. No hocus-pocus. No falling for "dummy" contrivances. If necessary to make sure that these properties really change hands, I would set up a corporation to finance such transfer.

FORMULA FOR PRIVATE PROPERTY

Enemy assets in each country should be used to make restitution to nationals of that country for properties lost or damaged in enemy countries. In the United States the value of German properties taken over by Congress would be pooled and from this fund Americans with property in Germany or her satellites would receive restitution. Anything left after these claims are met would be turned into a common pool to pay for necessary German imports, with the balance going as reparations. This will make possible deindustrializing German heavy industry even where American or other foreign-owned plants are involved.

I want this to be a just peace—not one of vengeance. This program does not mean the destruction of the German people. They would have to suffer a comparatively low living standard for a time—but nowhere as low as what they imposed upon enslaved Europe and not much lower than the standards which they themselves assumed to give Hitler and the general staff the stuff to attempt world enslavement.

HEAVY COST OF WAR

The immediate, emergency problem of feeding Germany is a most difficult one. Still it should not affect the program here recommended. The heavy industries which need to be removed from Germany produced guns and munitions. Consumer goods industries can be re-

vived to a scale that will meet Germany's own domestic needs. How much food will be available in Germany will depend in great measure on the Germans themselves.

There will be shortages all over the world—even here. With whom shall we share? Who—in justice—should get the highest priorities? The Germans or the peoples they ravaged?

UNITED STATES OF EUROPE

Unchaining the German people from a war machine which has consumed an easy one-half of Germany's total substance should ease their adjustment. Eventually, purged and reorganized, and the Europe around her made strong, Germany will be able to take her place with her neighbors.

The new equilibrium of industrial strength in Europe might take the form of a United States of Europe—a United States of Europe in which Germany would be one of several peaceful equals, not the dominating war organizer.

PIECEMEAL CONTROLS FAIL

A number of other proposals for less drastic control of Germany has been proposed—as placing her heavy industry under international trusteeship or limiting the control to a few so-called key industries. As temporary aids to the occupation authorities, such proposals have some merit. They fail completely to provide a basis for lasting peace. Only by permanently reducing Germany's over-all war-making potential in relation to Russia, Britain, the rest of Europe and the overseas nations can we know that Germany will be unable to go to war again.

Great care should be used in authorizing the rebuilding of German industries, especially heavy industries. It will be easy to permit many industries to revive on a basis of expediency because of present needs, and later find them reestablished to stay.

The argument is raised that Germany is the industrial giant of Europe and that deindustrializing her to any extent would have disastrous economic effects on the rest of Europe and the whole world. There is no denying that Germany has dominated Europe economically. So she did militarily. Nor is there any denying that this domination has been the ruin of Europe and the world. Where has German economic influence been felt and smiles left to that country's people? In Poland? Rumania? Hungary? Greece? Yugoslavia? Austria? Italy? France? Holland? Belgium? Norway? Denmark? In Germany herself?

CAVE AGE VERSUS PROSPERITY

To accept the view that the restoration of German industrial dominance in Europe is inevitable—something we can do nothing about—is to resign ourselves to the return to a new cave age. We might as well begin to put our factories and plants underground.

As a result of controlling Germany, great economic benefits will flow to all of the United Nations. It will open expanded industrial opportunities to them and agricultural and other products which Germany will not use, will be taken up by other countries. Britain,

which, after the war, will be confronted with a grave need for increasing the volume of her exports to pay for food and raw material imports, will fall heir to many former German and Japanese markets. Instead of trading with Germany, the United Nations will have more trade with one another. More jobs and more business will permit the United Nations to pay part of the war's costs out of high wages, increased profits, and greater tax revenues.

For at least five and possibly seven years there will be an enormous over-consuming demand for everything—raw materials, manufactured goods, food, clothing, housing, transportation, machinery, and capital. If the peace soon to be written permits men to look forward to the future with hope, not fear, prosperity of unpredictable length lies before us.

ALLAY SOVIET FEARS

How to insure our working with Soviet Russia is a difficult problem, which has been perplexing many people of late. I have tried to ask myself what would I think if I were a Russian?

Uppermost in my mind—if I were a Russian—would be the almost infinite suffering endured from the Germans during the past 30 years. In World War I, western Russia was overrun and looted. In this war Russia was twice ravaged, as the Germans went in and again as the Germans came out. Any nation which has undergone such experiences is bound to be security-conscious to a very high degree.

To illustrate the point, I quote from the introduction to a book I wrote at the close of the last war, *The Making of the Reparations and Economic Sections of the Treaty*:

From wantonly devastated France had not departed the fear and inherent hatred of the enemy who but a few months before had pierced almost to her heart—the traditional enemy who had brought upon her the bitter days of 1870. With the World War already history, the shadow of the Prussians still hung over the Republic. France was fixed in her determination to erect an impregnable wall, economic or geographical, or both against future German invasion. This, in greater or lesser measure was the attitude of the other Allies.

WE FAILED THE LEAGUE

If "Russia" were substituted for "France," this quotation would apply equally well to the present situation in Europe. Nor would France's experience after Versailles lessen Russia's concern over her security. At Versailles, France did not obtain her impregnable wall. Instead, she was persuaded to place her reliance on the League of Nations, which we in the United States, who had put it forth, then refused to join. Is it then so surprising to find the Russians shying from placing their first reliance for the security they are determined to gain on peace machinery still untested and whose predecessor failed? Is it so surprising to find Russia insisting on what her officials regard as more realistic security measures?

The occupation of Germany will be difficult enough at best. In the absence of common policy as to the long-range fate of Germany, the Soviets are bound to question Allied moves as dictated by a desire to rebuild Germany into a buffer against Russia. In turn, the western democracies will suspect Russia of seeking to communize Germany. The Germans can be expected to resort to every imaginable trick to

foment discord among the four occupying nations. They will play one nation against the others, one zone against the next, hoping to break the common unity of the Allies, so controls will be permitted to lapse, giving her a chance to recoup, as after Versailles.

SUPPORT EISENHOWER

General Eisenhower, in my judgment, is ideal to head our occupation in Germany. His deputy, Lt. Gen. Lucius Clay, is another excellent man, with whose work I am quite familiar. I have every confidence they will handle themselves effectively, with firmness and tact. Recently General Eisenhower described himself as the "executor not policymaker" in Germany. Give him an agreed upon policy. Don't handicap him.

While on the subject of Russia, I would like to add this general observation: I have no fear of the spread of bolshevism in the United States—jobs and higher living standards are the proven antitoxins. I have stressed the importance of lifting wage and hour standards all over the world. It is crucial if only to keep to a minimum the disruptive effects of the inflation already loose in the world. And as living standards within Russia improve, the atmosphere there should lighten, and some practices which strike us unfavorably are likely to disappear. I am mindful of the tremendous changes in our country as we grew from Thirteen Colonies on the Atlantic. When we recall that it was nearly 10 years after the Revolution was won, before our 13 States could agree on a Constitution for ourselves alone, I am not dismayed that more was not done at San Francisco.

MUST UNDERSTAND SOVIETS

Relations with the Russians may continue difficult for a time, not only in Europe but on other fronts. Again I point out, we should not be surprised that Soviet suspicions have survived our fighting together against the common enemy. When one reviews recent world history, one finds considerable cause for suspicion between Russia and the western democracies—on both sides. After the Red revolt in 1917, the Tsarist powers made three major attempts to reconquer Russia, efforts largely armed and supplied by the British and French. The deepest significance of the Munich Pact was the exclusion of Russia. It is not that all of Russia's acts were justified but it is important that we understand the Russian point of view.

RUSSIA MUST COOPERATE, TOO

On the Russian side there must be equally sincere efforts to understand us. The Russians must appreciate that refusal of Soviet authorities to permit free access to the countries of eastern Europe has a most adverse effect on American public opinion and will jeopardize any program for the reconstruction of these countries. Another cause of suspicion has been a tendency for the Russians to act unilaterally in many countries. Such actions irritate us less because of our interests in those countries than because we feel a moral responsibility to those peoples which we cannot shirk. On our part we must shift our peacemaking machinery into high gear and avoid delays which may prompt unilateral action.

The pledged word kept is the best antidote to suspicion. Above everything else, there must be the most meticulous observance on our part of all our obligations with the Soviets, written or implied, while insisting firmly that they do the same. By doing our homework before going to conferences, agreements can be free of ambiguity.

Before the war, business interests in this country acquired the greatest respect for the manner in which Russia kept all contracts and observed all credit arrangements. Our admiration has been increased by her incomparable military accomplishments during the war. It would be tragic for the Soviet at this point to permit doubts of her motives to mar this splendid record—tragic for both them and us—since it would react against all who want peace.

There are many detailed aspects of German demilitarization and reparations not dealt with here which can be covered in the discussion. The public statements of Messrs. Pawley and Lubin, our reparations commissioners, indicate a clear grasp of the issues. Whether the reparations agreement will have to be ratified by the Senate, I do not know. If so, the Russians and British should be told that now.

CONFUSION ABOUT CARTELS

This committee has asked that I discuss cartels. First, as I see it, we should determine just what we mean by a cartel. The Germans employed cartels as an instrument of economic warfare, which was what they did with every aspect of the German economy. Soviet Russia is an example of a completely cartelized state—only one buyer, only one seller—the Government. Within the British Empire, trade preferences or sterling bloc restrictions can accomplish the same effects as cartels; so can import and export quotas, compensatory payments, currency depreciations, wage reductions, or lengthening of hours. The last two are more disintegrating. Cartels are established for the purpose of advantage to those engaged in them but these advantages can be obtained in many different ways.

Are all cartels bad? Or are there good cartels as well? Is all competition good, no matter how destructive the result? Shall we return to the unrestricted jungle law of tooth and fang? We have legislated for both sides of the argument. We have antitrust laws and we have laws and commissions which seek to restrain competitive practice.

SOME COMPETITION BAD

In stabilizing farm prices, our Government, year after year, approves cartel-like practices and I think you gentlemen will agree with me that it is a good thing. I have always felt that in any area where competition becomes so disruptive as to hurt the general good, the Government was duty-bound to correct the worst effects of unbridled competition.

With some raw materials not produced in this country, we may find cartels forcing us to pay higher prices. Should our Government use its influence to see that our manufacturers are not squeezed, particularly where materials vital to our defense are involved? We can protect ourselves somewhat by keeping in reserve our stocks of these strategic materials.

PATENTS MEAN KNOW-HOW

Foremost in the minds of the committee, I gather, is the relationship between German, other foreign and American manufacturers in the use of patents. In most instances, I think you will find that Americans have improved upon the processes which they obtained through these negotiations. Should the Americans not have bought those patents? If that is the desired policy, it can be put into effect simply by prohibiting the use of those patent processes in America. This would force the things manufactured under those patents to be produced outside of the United States without benefit to our economy or increasing our know-how.

One proposal is that all international business agreements entered into by American firms be registered with the Government, say, the State Department. Any businessman should welcome such a law since it would free him of danger that a business act taken in good faith in one year could be accused against him years later, possibly under changed international conditions.

REGISTRATION NOT ENOUGH

Will the State Department or any other agency that is set up to handle such registrations know which agreements are in the national economic interest and which are not? Do we have enough of a positive foreign economic policy in this country?

This question goes beyond patent matters. Are American businessmen to be encouraged to invest abroad and to widen their exports and are their interests to be protected by the Government or disregarded? What if we grant Government credits to a country like Soviet Russia? What becomes of little business if it has to face an import and export monopoly of another government? Under the Bretton Woods agreements are loans to be made to countries which may evade the agreements through cartel-like methods?

ROUNDED POLICY NEEDED

I do not want to seem to leave you in confusion on this matter. What I am trying to get across is that there has been too much discussion of this question without regard to the part it plays in the broader picture of the need for a coherent American foreign economic policy, which we still lack.

Every report from abroad indicates the different nations of the world are becoming more—not less—cartelized—cartelized in many different forms, especially as to foreign trade. How free will the economy of any European country be after this war? What if certain industries in these countries are nationalized? What then becomes their position and how do we adjust ours to it? Suppose a United Nations registration of all cartels were suggested? What would that cover?

KEEP OUR LEADERSHIP

In conclusion, in making my recommendations, I have sought only to stimulate action so that we will exercise the leadership which is ours. I would not want to see that leadership which we have held for 150 years now lost to others or wasted through disuse.

A vastly better world lies ahead if we use the intelligence and gifts of nature that have been bestowed upon us. We cannot live alone. Be sure of that. Let us then encourage and help those who live with us to live our way, not to copy our way in detail, but to stand with us on the broad base of expanding human dignity and freedom.

The CHAIRMAN. Thank you, Mr. Baruch.

Mr. Baruch, I have prepared a series of questions which I would like to put to you and get your answers, if I may.

This morning's Washington Post carries a statement by Field Marshal Montgomery that the army of occupation would have to remain in Germany from 6 to 10 years. He is quoted as saying:

I don't agree with people who say Germany is down and out. The country is down on its knees and needs watching.

He says there are many young German officers who want a chance to prepare another war. Do your experience and your investigations confirm Field Marshal Montgomery's views?

Mr. BARUCH. They certainly do.

The CHAIRMAN. You believe, then, Germany is actually planning a third world war now?

Mr. BARUCH. I cannot recollect the couplet from Byron which tells of "the patient search and vigil long of him who treasures up a wrong." But war is the German's principal business, and always has been. I have documents here—reports from our military attaché in Germany—going back before the war, quoting the efforts of the German General Staff to prepare for war.

You have got to root them out—lock, stock, and barrel; hair, skin, and bones. You have to do that to the military caste in Germany.

The CHAIRMAN. Thank you. Mr. Baruch, from your knowledge of the development of the Nazi regime, would you consider that men like Krupp and other industrial leaders actively participated in planning the present war of aggression? To what extent would you consider them responsible for the atrocities and other crimes committed by the Nazis?

Mr. BARUCH. The answer is they did it.

The CHAIRMAN. Then there is no doubt—

Mr. BARUCH. There is no doubt whatever, whether they plotted or pulled the pistol, they are both guilty of murder.

The CHAIRMAN. So the war guilt extends to the German industrial leaders?

Mr. BARUCH. They are certainly guilty of carrying out the orders of Hitler. I do not know what punishment should be meted out to them, but they should not be permitted to have those industries again.

To continue the Krupps or any war-making industry of that kind, I do not think, is in the back of anybody's mind, except someone in an insane asylum.

The CHAIRMAN. I mentioned on the floor of the Senate that several German industrial leaders had gone to Spain and were already organizing there—

Mr. BARUCH. I know they will if they can. The thing to do is to root them out, and that is the reason I say German assets and business organizations in foreign countries should be pulled out—uprooted.

Senator O'MAHONEY. Mr. Chairman.

The CHAIRMAN. May I finish here, please? Off the record.
(Discussion off the record.)

The CHAIRMAN. Do you think, Mr. Baruch, we can dismantle or control the German economic war machine by selective control of certain key industries, as proposed in the Brookings Institution study made by Messrs. Moulton and Marlio?

Mr. BARUCH. I think I answered that in my statement.

The CHAIRMAN. You do not think so?

Mr. BARUCH. It is not sufficient.

The CHAIRMAN. Could you tell the committee more about the reasons why you believe reparations should take the form of labor rather than of the production of finished goods or the payment of money, as was done after World War I?

Mr. BARUCH. If our first object is to have a sure peace that means we have to deindustrialize Germany, and that means we must not let her pay in finished manufactured goods, even in kind, to such an extent that her war potential is restored and maintained. We must also see that her exports are not forced, which would pull us down, undercutting our living standards. Therefore her principal payment will have to be in labor. All the countries seem to want it so, and I would let them have it.

The CHAIRMAN. Mr. Baruch, can we avoid in using labor reparations, labor slavery?

Mr. BARUCH. What do you mean by labor slavery? This was an unconditional surrender. The workers involved in reparations are going to be paid something, I assume, and there will undoubtedly be some kind of arrangement to see they are not treated like the Germans treated their war prisoners and labor.

I do not think anyone has in mind the establishment of slave labor; I do not suppose the United Nations will undertake anything of that kind.

The CHAIRMAN. I do not suppose it, either, and I thank you for saying these persons will be paid and will have good jobs, or at least comparable with the jobs they have had in peacetime.

Mr. BARUCH. Well not "good jobs." They may not be as good as the ones they had before but they will be better than the ones they insisted upon the conquered United Nations having.

If you want to demilitarize Germany, do it, and do it as quickly as you can with decency and humanity. I do not want to see us do anything unjust—or unwise. I think we can do the just and wise thing together.

The CHAIRMAN. Do you believe it necessary to control German research and technological development?

Mr. BARUCH. I certainly do.

The CHAIRMAN. If so, should the control include chemical and physics research in universities, that is, basic science research, as well as industrial laboratories?

Mr. BARUCH. Yes, sir.

The CHAIRMAN. Should German scientific activity be reduced?

Mr. BARUCH. It should be kept under constant watch all of the time.

The CHAIRMAN. And controlled?

Mr. BARUCH. Yes, sir. There lies the greatest possibility of success in any future war.

The CHAIRMAN. As a result of the war experience there appears to be a great deal of interest in having our Government contribute greater support for research, particularly for national defense, health, and medical care, and basic science. Do you believe this is desirable?

Mr. BARUCH. I have never made a statement on any subject when I did not say that. I have said it today. I have never made a statement, on reconversion or in the rubber report, that I did not say something like that.

The CHAIRMAN. We would like to hear you repeat it, Mr. Baruch.

Mr. BARUCH. I think the educated man, the scientific man, not alone brings new things to us, but he brings us trained minds that can differentiate between good and bad, true and false.

There was something I started to tell you about the development of science along electronic lines. I am not a scientific man, but the idea is now being discussed by intelligent and realistic men, of using electronics to treat the lower grade ores much more efficiently and economically. That would open up tremendous possibilities to our country and to the whole world.

I only mention it because it lies along the line of the discussion.

The CHAIRMAN. I have noticed in the papers reports that individual German plants have already begun to operate. For example, only recently it was reported that the Zeiss optical works had been reopened. Do you think we are running any risks in starting up German industry of this kind before we develop our final policy on the treatment of Germany?

Mr. BARUCH. You will remember I said if we do not have a policy, there will be a vacuum, and something will fall into that vacuum, either the Germans or someone else. We ought to be ready to meet that, and I presume we are. As to any particular industry, I would not want to answer the specific question, but I think the men you have in charge of the occupation are perfectly capable men. I do not know what their policy is, but if it is to keep Germany down, they ought to know how to handle it.

They should watch, industry by industry, if that is what your question involves.

The CHAIRMAN. In the past Germany has imported food from other countries and has exported finished products. Is it your suggestion that this relationship between Germany and the surrounding countries now be reversed?

Mr. BARUCH. I saw a statement, either in 1938 or 1939, by the German food agency—my German is not good enough to remember the full name—in which it was claimed Germany was self-sufficient from the standpoint of food. Whether that is true or not, I do not know. How much of the bread basket is taken away with East Prussia I do not know, but the difficulties in many of these countries are not only a matter of food but other things as well.

For instance, you gentlemen who have been over France, have seen it is like a garden. There is considerable food in France, although some things here and there may be short, but they have no monetary system. A farmer who grows something does not want to take it to Paris because he will only get a piece of paper for his food and the paper isn't much good. What the conditions in Germany are I do not know. I think these problems will always be exaggerated because they

will try to keep us out of all determination to control Germany. I saw it done once before.

The CHAIRMAN. In flying over Germany and France a little while ago it was apparent every farm in both countries had been properly prepared and each farm was full of fine prospective crops. The Germans have a basic advantage. Aside from the money difficulty in France, France is very short of fertilizing materials, while Germany has plenty of them. So as between countries with full farms, one would produce a better crop than the other.

Mr. BARUCH. I think the thing that would affect Germany and the whole situation is what monetary unit, transportation, and communications there will be between the four zones; how free is enterprise to be; how freely can the people produce and move; will they have four customs to go through, or not?

Those questions will have to be answered before you can answer the one you are discussing. If the military authorities set up a system that will permit free intercourse, a monetary system, and a transportation system, their food problem will not be as bad as we think or as has been suggested.

The CHAIRMAN. To what extent do you think the administration of the four separate occupation areas can be carried on independently by the British, French, Russians, and ourselves, and to what extent is unified control in administration needed?

Mr. BARUCH. I thought that question would be asked, so I prepared these notes:

Different sections of Germany might receive markedly different treatment and Germany would have opportunities to play the Allies against each other.

The eastern half of Germany has a food surplus which is needed in the west.

It would be difficult to enforce a rational reparations policy without unified control.

Finally there would be much greater danger of rivalry between the Allies over Germany.

Some raw materials from the Ruhr might have to be moved to Silesia and some Silesian materials be moved elsewhere. You should have a complete flow of men, food, everything, including telephonic and telegraphic communications, between the zones.

I have great confidence in Eisenhower—but there will be frictions and difficulties that the Germans will try to raise between the four occupying countries. It is not going to be an easy job.

The CHAIRMAN. You will remember in the last war we occupied only the Rhineland; we had the British at Cologne, the Americans at Coblenz, and the French at Metz, and the Italians farther down, and it was only a matter of months before the Germans began to weigh one against the other, and it resulted in chaos, rather than the right kind of administration. Can we avoid that this time?

Mr. BARUCH. It is much more necessary to avoid it now than before, because the relationship between the three great powers is the most important thing—England, Russia, and the United States, if they can hang together—and France of course. But the three great powers must hang together.

The CHAIRMAN. There is a much more complex administration because of the two sides, from the east and the west.

Mr. BARUCH. That is right.

The CHAIRMAN. Could you expand your statement, "What is done with Germany holds the key to whether Russia, Britain, and the United States can continue to get along"?

Mr. BARUCH. It seems so self-evident, as I said a moment ago, and partly answered the question. We have these three great powers. If they cannot get along in Germany, can they get along in anything else? If, in the new task of keeping the enemy down, we cannot get along together, as we did during the war to destroy the enemy, we will never get a lasting peace organization.

What we determine with Germany will affect the economic relations of the rest of the world. I could not say what would happen to loans or tariffs, or monetary relationships, until you determine what effect Germany is going to have upon the rest of the world.

I do not think that during the first 5 or 7 years it will make much difference what you do. There will be a tremendous demand for goods. In most of the countries of the world there isn't going to be much to sell, in my opinion; no large excesses beyond what can be produced to meet that country's own demands. In England they talk a great deal about exports. They will not have much to export. From sources I consider authoritative, I know the British workman has 100 to 300 pounds' savings, more than ever before. He will want to buy something. If this demand is met, where will they get any goods to export? Even if Empire preferences and sterling blocs are kept, we could jump all of the barriers they raise for 5 years.

Canada and Australia and the Dominions, if they want to buy goods, will not wait until the day after tomorrow to buy them from the home country. They will want the goods right away. You know how the people in England need things. You know what people in our country do when they have money and want something.

That is one of the great problems you gentlemen will have to face, supplying soon enough the tremendous demand for goods—which goes into the great question of inflation.

To return to your specific question on the importance of the German problem, if we can settle this policy and gear all of our economies into that, it will keep the relationships between countries sweet. That is so important. I do not mean that we should give way on any great American principles to do that. If something is worth fighting for, we will have to fight, but I do not want to fight; I have seen enough of that.

I would like to see us work out an agreement and I do not see any difference which, with wisdom and tolerance, cannot be worked out.

That is rather long-winded, but it seems to me I covered a good many of these questions in my answers before.

The CHAIRMAN. I thank the members of the committee for letting me proceed.

Senator O'Mahoney?

Senator O'MAHONEY. Thank you, Mr. Chairman.

I was about to say, Mr. Baruch, that first of all I should like to remark that I know of no other private citizen who could have brought so many members of the Senate to one committee meeting as you have done this morning.

Mr. BARUCH. I thank them all for being present.

Senator O'MAHONEY. You have made a very lucid statement, and I think one of the most important statements that have been made.

I was prompted to ask for opportunity to question you when you referred to the Krupp works. Last Sunday, in the New York Times, there was a story to the effect that the Krupp works were already constructing steel structural pieces for bridge work, at the orders of the United States Army. There was a story to the effect that the Ford plant at Cologne is now operating under orders from the American Army to build some 500 trucks. I understand the International Harvester is operating its plants in Germany.

Have you anything to say about that development?

Mr. BARUCH. I referred to that in my statement. We are bound to be attracted by the thought that there is a terrific shortage in the world and we had better get some of these things produced now. Tractors and trucks are needed in Germany, so why not, for 6 months or a year, let them get busy, and that will relieve the pressure over here?

That is a hard argument to overcome. I do not want to see these industries started on any scale because that might lull us to sleep, and we would find these industries reestablished permanently. I have heard the problem discussed in a great many quarters, and I think it is a dangerous procedure to permit them to do that.

Senator O'MAHONEY. Do you mean to recommend that as a permanent policy we should deprive the people of Germany of the opportunity to supply their own needs in these heavy industries?

Mr. BARUCH. If it would build a war machine.

Senator O'MAHONEY. Your real purpose is to prevent the building of a war machine?

Mr. BARUCH. That is my No. 1 proposition. No matter what it may entail—our casualties are already tremendous and we have a terrific war in the Far East on our hands.

Senator O'MAHONEY. The primary purpose is to adopt a policy which will prevent the utilization of heavy industry, of patents and of industrial processes for the purpose of dominating the economic life of the world and to declare a war?

Mr. BARUCH. That is right, sir.

Senator O'MAHONEY. May I call attention to page 22 of your statements? After having referred to the registration of cartel agreements, you say this, and I am reading from the top of page 22:

Will the State Department or any other agency that is set up to handle such registrations know which agreements are in the national economic interest and which are not? Do we have enough of a positive foreign economic policy in this country?

Can we adopt a foreign economic policy without having a domestic economic policy?

Mr. BARUCH. Surely not.

Senator O'MAHONEY. Well, are we to—

Mr. BARUCH. Let me say this, which I believe will answer your question.

If we do not control our inflation, it is going to change our economic policy completely, because if our prices soar too high nobody will be able to sell us anything.

Senator O'MAHONEY. Now, I assume from what you say on page 9 in paragraph 12 with respect to the development of a positive foreign economic policy, that it is your belief—I take it from your statement

in paragraph 12 advising us to develop a positive foreign statement policy, your belief is such a policy should be designed "to preserve the American free enterprise system in a world drifting to cartelizations of various kind."

Mr. BARUCH. That is right.

Senator O'MAHONEY. Then, are we to understand that your recommendation here is that if cartel agreements tend to suppress free enterprise, cartel agreements rather than free enterprise should be brought to destruction?

Mr. BARUCH. I am in favor of free enterprise as against the other, surely.

Senator O'MAHONEY. So, any type of economic organization, whether in the United States or abroad, which fences in free enterprise, that being the enterprise of the individual, is unwise from our point of view?

Mr. BARUCH. I wonder if you realize the extent to which the world has become cartelized. Russia is one country, with one buyer and one seller. There is no free enterprise there. We are going to cartelize Germany in the sense that it is going to be controlled; all her exports and imports will be controlled. De Gaulle has announced he is going to nationalize certain industries. There is a great political discussion in England today about nationalizing industry there. I am not talking for or against it. Coal is one industry which may be nationalized and England exports a good deal of coal. I am afraid if they commence to nationalize one or two or three things, that will make them drift into other things.

I certainly favor free enterprise. But as I say in my statement, our system of free enterprise is being encompassed on all sides by world cartels. How are we going to meet that issue?

Senator O'MAHONEY. Do you have in mind that free enterprise cannot endure in the face of either private or Government cartels?

Mr. BARUCH. Unfortunately, we have a few of them ourselves, Senator.

Senator O'MAHONEY. That is what I want to emphasize.

Mr. BARUCH. We have legislated on both sides of this question. I fought very hard for the agricultural program, as some of you gentlemen know. We got pretty well cartelized agriculturally, and we tried to do it internationally. Under the Webb-Pomerene Act, exporters in this country can get together and sell against the rest of the world as one seller.

Take the railroads. When I was a young man, everybody got after the railroads as the great trust. Since they have gone through receiverships, they do not bother them so much. Today we have a Government institution, the Interstate Commerce Commission, run by good men.

The Government, through that agency, makes the rates, and you cannot raise or lower rates without the approval of the ICC. They tell you what kind of service you can give, and you can go there with a complaint and get your service changed if you do not like it. You cannot rip up any tracks without the approval of the ICC; you cannot reorganize your property without its approval. The Government tells you what securities you can sell, at what price, and the manner in which you can sell them. You cannot cut rates.

There is nothing you can do on a railroad that is not supervised or directed by the Government, even on the question of wages. As you know, we have a very excellent arrangement in that regard, the wage matters being handled by the Mediation Board. Yet, with the railroads so much under Government regulation—and I am not reflecting upon the Government—an action is brought against them on the ground of being a trust.

Now comes civilian aviation. The Civil Aeronautics Board decides what companies fly where and under what conditions they operate, their rates, and other things. As you know, aviation is getting to be one of the most important, if not the most important, method of transportation. What rules and regulations is Congress going to make for that so there will not be a kind of no man's land of doubt as to what these companies or businesses can do under an act of Congress?

Excuse me for going off on that tangent.

Senator O'MAHONEY. It is always very interesting and we like to have your tangents.

Mr. Chairman, may I ask one more question? I would like to call Mr. Baruch's attention to page 10 of his statement and his recommendation No. 13, which reads as follows:

I would insert into all financial and economic arrangements we make a denunciation clause giving us the right to terminate any agreement which results in lowering of wages or lengthening of hours—an undercutting of human standards.

I assume you are referring there to wages and hours of American workers.

Mr. BARUCH. Yes, sir.

Senator O'MAHONEY. And when you speak of "economic arrangements," you mean reciprocal trade agreements?

Mr. BARUCH. To all economic and financial agreements. I am not referring to tariffs alone but am pointing my gun at them, too.

Senator O'MAHONEY. So your recommendation on any reciprocal trade agreement which results in the lowering of wages or lengthening of hours of American workmen is that it ought to be subject to denunciation?

Mr. BARUCH. Yes.

Senator O'MAHONEY. I am glad to have you give your answer in the affirmative.

The CHAIRMAN. Senator Hill.

Senator HILL. Not at present.

The CHAIRMAN. Senator Austin?

Senator AUSTIN. Mr. Baruch, I am attracted by something that appears on the first page, "What is done with Germany holds the key to whether Russia, Britain, and the United States can continue to get along."

Assuming that is true, the practical question arises in my mind of how and by what means we are going to arrive at an agreement for the years in which four different parts of Germany are occupied by military troops controlled separately by four different countries. Is it not true that we cannot have a unified policy of the four countries except through the agreement of these military officers; the military government, in other words, of four countries will have to be respon-

sible for whatever arrangement is made to unify the policy over Germany during that time. Is that not true?

Mr. BARUCH. They will have to carry out the policy agreed upon; they do not make the policy.

Senator AUSTIN. Does your emphasis on carrying out mean you envisage an agreement entered into by those countries, and many others, with respect to the economic policy on Germany? That is what I am after, really, and I am trying to see what your plan contemplates. Does it contemplate an agreement made by the diplomatic departments of these several governments and other governments, rather than an agreement among the military powers of those four that are going to occupy it?

Mr. BARUCH. As I understand it, Senator, the policy is made by the governments themselves and then given to Eisenhower and his people to execute. There are two hurdles—one, getting together on a policy and, second, when you have given it to these four men to execute in four different areas. The method and manner of executing that policy is going to be another hurdle.

I do not know whether we can go back and do anything different now, but that leaves the power of veto to one of the four; there must be unanimity.

Senator AUSTIN. Yes; there has to be uniformity of agreement.

Mr. BARUCH. Yes; and we have that in the San Francisco arrangement. It is not going to be easy. It is going to take all of the wisdom and tolerance. I realize we will have to go through something to bring this about. If I were easily discouraged, I might be, but I think we are making progress all of the time. I would rather see some other arrangement, but we might as well see what we can do with what we have, recognizing the difficulties involved, and try to meet them. I would like to meet them right away.

Senator AUSTIN. I gather your view of the matter contemplates the military occupancy of these four parts of Germany as cooperating as an operating agency, and administrative rather than policy making; is that right?

Mr. BARUCH. Yes, sir.

Senator AUSTIN. That is all.

The CHAIRMAN. Senator Gurney?

Senator GURNEY. Thank you, Mr. Chairman.

Mr. Baruch, you mentioned universal military training, and I thank you for that. Certainly you would not have mentioned it if you did not feel it was a necessary insurance in this time of uncertainty.

Mr. BARUCH. Quite right. I did not go into the argument about it because you have heard all of the pros and cons.

Senator GURNEY. That is right. I want to ask you just one or two small questions on that program that you advocate. You have been in Europe for some time and have talked with our Army men and our GI's over there.

There is a great deal of talk here that it should be delayed until our soldiers are back and voting for themselves. What do you think those soldiers and sailors—do you think they regard it as something we should not tackle until they get home?

Mr. BARUCH. I have made up my mind; I do not know what they think about it.

Senator GURNEY. That was my question.

Mr. BARUCH. That is a human or political problem, but I am satisfied if those young men do not feel it now, in a few years they will feel as I do. I have seen two wars. I have seen 25,000,000 people killed, and I do not know how many more made homeless like stray dogs, all over the world, with no place to go and no citizenship. There is no use talking about peace unless you are ready to enforce it. Had this country been ready, there never would have been a war. That is what I think.

Senator GURNEY. Thank you very much.

Mr. BARUCH. We have to have adequate force. As soon as America goes into organization with the rest of the world and says, "We are going to carry this through and have the means"—no conversation—I have seen conversation twice, and it is no good. We have to be ready for action, and that is what I am talking about.

I want to prevent these GI's and sailor boys having to do it all over again, with infinitely greater suffering to them and civilians. I have seen four generations, whose lives have been disrupted, and whether you want to consult them or not, I would not want to change my mind.

Senator GURNEY. I would still be interested in whether you had any observations on the thoughts of the soldiers you contacted overseas.

Mr. BARUCH. My general impression from contact with these boys is that they want to fix it so it will not happen again.

Senator GURNEY. From your long experience and general good powers of observation, what do you think will happen to our educational system in this country provided we take boys between high school and college and give them 1 year's training? The direct question I want your thought on is, Will more go to college or will fewer, after 1 year's training?

Mr. BARUCH. Your question, if I heard it correctly, is what will happen to the youth of the country if we take a year out of their lives to train them?

Senator GURNEY. Yes.

Mr. BARUCH. I think it would be a darn good thing. I would like to have had it myself. Of course, that is easy for me to say at 74.

It might take a year out of their lives, but I think education is more than something in the head; it is mental and physical discipline. The boys and girls who have to fight to get their education must undergo mental and physical discipline, and they are the ones who generally make good.

I do not think it will do them any harm, but that they will get great gain, a credit instead of a debit.

Senator GURNEY. Do you think because of taking 1 year universal military training a greater or lesser number will go to college?

Mr. BARUCH. A greater or lesser number go to college?

Senator GURNEY. That is right. Will it stop them from going on with their college education?

Mr. BARUCH. I should not think so. It should not make any difference. You have got to decide whether you are going to stop wars or not. I am over here on this side—to stop wars—and there is the other side. It is not going to be a cakewalk or a honeymoon. This is tough self-control we have to enter into. We have to make up our minds whether we will institute something here that will prevent war or keep people from warring with us. That is the first thing to decide. There are bound to be a lot of unpleasant things about it.

Senator GURNEY. Thank you.

The CHAIRMAN. Senator Johnson?

Senator JOHNSON of Colorado. Mr. Baruch, I want to congratulate you upon being the author of a document that is timely and thought-provoking. Of course, you do not expect all of us to agree with everything you say, and I most heartily disagree with some of your conclusions but, of course, that is my American privilege.

I will not go into them, but I want to refer briefly to the observation made by Senator Austin from page 1, "What is done to Germany holds the key to whether Russia, Britain, and the United States can continue to get along."

The fact we have divided Germany into zones with four different policies, probably indicates a weakness in the very heart of the United Nations, as I see it. What do you think about that?

Mr. BARUCH. As I replied to Senator Austin, there are several hurdles to be overcome. The first is getting a policy, and the second is the manner and method of carrying it out. It is going to be difficult. No doubt about it, but I do not see any other way out of it.

We have to try, unless you say we are going it alone. You have to make up your mind whether we are going to have peace with the rest of the world.

Senator JOHNSON of Colorado. But the fact we have divided Germany into four zones with four different policies, does that not indicate the United Nations cannot get along and the only way they could make agreement as to the disposition of Germany was to divide it into separate direction and policy?

Mr. BARUCH. No; I do not say that.

Senator JOHNSON of Colorado. No; but I did.

Mr. BARUCH. It is a fait accompli I am facing. I would have preferred to see it under one command, but it has been decided otherwise, and I am trying to face conditions as I see them and not as I would like to have them.

Senator JOHNSON of Colorado. I understand that very well and I think your position is sound, and I am in agreement except my conclusion is the fact we divided up the problem shows we have not a perfect set-up from the United Nations point of view.

The next observation I have, I am heartily in agreement with your No. 1 purpose, which you have said is to demilitarize Germany and keep her from making war again.

Mr. BARUCH. Until she has had a rebirth.

Senator JOHNSON of Colorado. I think with that objective, all right-thinking people must join you. But all through your testimony today I have noted you have a No. 2 purpose, which seems to be grounded in a fear of Germany's industry, science, thrift, and ability to work hard. You seem to want to get away from the competition that Germany might give. I am somewhat disappointed in your No. 2 objective.

Mr. BARUCH. What did you say my No. 2 objective is?

Senator JOHNSON of Colorado. It seems to be grounded, as I say, in fear of German industry, German competition in industry, in science, in thrift, and all of those things.

Mr. BARUCH. I will be glad to answer. German industry is a war industry, and I have document after document which will show that the general staff regarded Germany's economy as a war economy,

how all of its diplomacy and all of its business and other activities were geared to the war machine. There is indubitable evidence of that over the years that have gone by.

I do not want to discourage the thrift and hard work and all of that kind of thing—

Senator JOHNSON of Colorado. Or the science?

Mr. BARUCH. I do not want to discourage German thrift and science and hard work, but I do want to keep these things from being geared to a war machine again, just as the Japs have tied their people, like a lot of peons, to their war machine.

Senator JOHNSON of Colorado. I am in complete agreement with that objective, but it seems to me you go far beyond her potentialities as a war-making country.

Mr. BARUCH. That may be possible, but I do not think so. I think you will find several times in my statement I have said, "Until Germany has a rebirth." I would not trust her until there is a rebirth. You just cannot take that chance. I have seen it twice and so have you, Senator.

Senator JOHNSON of Colorado. Are you going to help in that rebirth or hinder it?

Mr. BARUCH. What is that?

Senator JOHNSON of Colorado. Are you going to be helpful toward that rebirth or hinder it?

Mr. BARUCH. I do not think it will hinder it. I think as soon as Germany shows any inclination toward conversion or gets religion, I think it will be observable to everybody, and I think the American people, and also the English, will be the first ones to change their viewpoints. I saw it change pretty fast the last time.

Senator JOHNSON of Colorado. On page 8 in paragraph 7, you say, "there should be a free look-see for all the United Nations throughout Europe." Just what do you mean by that? Do you mean the United States should have an observation agency all through Europe, including Russia, and know what is going on everywhere?

Mr. BARUCH. Let us be very frank about it. I mean Americans should be permitted to go into Poland, Bulgaria, and all of the other countries that have been occupied by our associates in the war.

Senator JOHNSON of Colorado. I am glad you mean that, and I hope we may make it one of our key objectives.

Mr. BARUCH. If we allow the Russians in here to have a look-see, I want the same right. I do not want to pry into anyone's political methods; I want to keep my nose out of their politics, but I think it should be a 50-50 proposition.

Senator JOHNSON of Colorado. That would be good for us and would be good for them.

Mr. BARUCH. I did not hear you.

Senator JOHNSON of Colorado. It would be mutually beneficial?

Mr. BARUCH. Certainly, sir.

Senator JOHNSON of Colorado. On page 19 you say, in the second paragraph:

By doing our homework before going to conferences, agreements can be free of ambiguity.

What do you mean by "our homework"?

Mr. BARUCH. I want to be frank with you. There seems to be a good deal of doubt as to what took place in regard to Poland, and I

do not know whether it was because our full homework was not done before the agreement was signed. Again, the Bulgarians wanted to surrender to us, but we were not ready. I am not blaming anybody because we had a terrific job. But when the Bulgarians wanted to surrender to us, we were not ready and while we were arguing about it, or getting ready, the Russians moved in.

Senator JOHNSON of Colorado. What is the "homework"?

Mr. BARUCH. I mean study and preparation—preparing for problems that will come up at any conference. I did a lot of homework for this before I came here.

Senator JOHNSON of Colorado. That is all, Mr. Chairman.

The CHAIRMAN. Senator Guffey?

Senator GUFFEY. In the last World War, No. 1, I had the pleasure of serving on Mr. Baruch's war service committee, and from that experience I know how careful he is in investigation, and when he makes a recommendation, I have to disagree with my friend from Colorado, and thoroughly approve all of them.

Mr. BARUCH. Thank you, sir.

The CHAIRMAN. Senator Revercomb?

Senator REVERCOMB. Mr. Baruch, you have spoken interestingly here of Russia. I ask you, do you believe Russia will expand her European domain beyond the boundaries she had prior to this war?

Mr. BARUCH. I did not quite get that, Senator.

Senator REVERCOMB. Do you believe Russia will expand her physical domain in Europe?

Mr. BARUCH. I would want to if I were a Russian. If I were a Russian I would want to get every impregnable wall or semi-impregnable wall to protect myself. I would do what she is trying to do—to have all along her border countries under Russian influence.

Mind you, I am not advocating that, I am trying to answer your question of what I believe the Russians want to do. Do not forget that Russia has long had a desire to get to warm-water ports. Maybe she will make some demand about Kiel. I do not know what is in her mind because I have not seen any Russians since the war.

They may want to get to the Mediterranean and undoubtedly are casting eyes toward the Persian Gulf and watching interestedly proceedings on the Chinese and Japanese fronts.

That is what I meant in my statement by "other fronts" in which they were interested.

Senator REVERCOMB. I am thinking particularly of the small, independent countries, Lithuania, Latvia, Estonia, who were innocent victims of this war. Do you think that any American can give the stamp of approval to any such plan, when we are trying to settle the whole postwar problem on a basis of fairness and justice for the weak as well as the strong?

Mr. BARUCH. I did not quite get the question. Do you mean we cannot approve of anything that does not meet with the conscience of America? That is one reason why we should have a look-see, the right to go into all of Europe. We have a responsibility we cannot shirk. How far we want to go on any specific issue is another question. In some instances we may decide there is nothing we can do about it. When we come to what I consider the vital political, spiritual, and human side of American interests, when those are affected, I would say, "Stop right here."

While I do not want to fight, I am not much for appeasement. However, I do not think you will have to do much. I am not in the know; I am not in the look-see, but I do know it is important to get along with these people and we should do everything we can to do it. Senator REVERCOMB. But there is a limit beyond which we should not go.

Mr. BARUCH. Not too much—

Senator REVERCOMB. That is right.

You have made a statement with which I heartily agree, that peace will be kept in the world only by the three great powers. In my opinion we will only have peace as long as the three strong-arm powers get along together.

Mr. BARUCH. Unless we have all I have talked about in the way of preparedness nobody will pay any attention to us. The world has been amazed by our great military machinery. On the same day that Von Rundstedt hit us on the western front we landed in the Philippines thousands of miles away—two full-scale tremendous operations, with all the logistics involved, going on at the same time. Besides that, we are scattered all over the globe. No country's achievement is comparable to what this country has done. All we have to do is let them know we are ready and nobody is going to tackle this country with the power that they have seen.

That is the price we must pay not only for peace but freedom. If we have that, when we say something they will know we mean it.

I do not know whether I have answered your question or not.

Senator REVERCOMB. I agree with the view expressed.

Now, coming back to the question of getting along, you do not mean to say we should surrender our views of what is just and right in order to get along with any nation in the world?

Mr. BARUCH. I did not quite get that. I would do anything to get along except to give up our vital human rights. I would let everyone know we would go just so far and no farther, and as long as you have this tremendous power back of you, this tremendous know-how—not an armed camp—they will respect what you say. These great nations are going to move as fast and as far as they can and it is up to us to see they do not affect our vital interests.

I do not want to force any war, but you have to look out and see that no one surrounds us and is able to make war against us at will.

Senator REVERCOMB. Our desire to get along with the powers of the world does not require we give up our own views of what is right in the treatment of smaller nations, does it?

Mr. BARUCH. You say we should not give up our future—

Senator REVERCOMB. Not give up our views on the rights of the smaller nations in order to appease any power in the world.

Mr. BARUCH. No. I do not think we should give up on high principles to appease anybody, and we have shown that. All we have to do is to be ready, and when we say something it will mean something.

Senator REVERCOMB. Thank you.

The CHAIRMAN. Senator Johnston.

Senator JOHNSTON. I have enjoyed very much what you have had to say here today, Mr. Baruch. Having lived in Germany for about 6 months in the Army of Occupation after the last World War, when we in the Army of Occupation did nothing, as I see it, to try to

prevent or keep another war from coming, and at this time, as I see it, our Nation is going to be watched more than any other nation in the world, the attitude we take toward Germany and toward the other nations of the world to prevent another war, the attitude we take in the formation of some kind of an organization to try to prevent another war, is a great duty upon the backs of Americans today.

Having been a soldier in the last World War, the question has come up, What would be the attitude of the soldier boy if we should go ahead and act while he is away; what do you think would be the attitude of the soldier toward preventing war, to keep from having another war?

Mr. BARUCH. What would be what?

Senator JOHNSTON. What do you think would be the attitude of the soldier when the people back home are trying to do something to prevent another war; do you think they would ask us to do something or sit idly by and wait?

Mr. BARUCH. I think they would want us to do something.

Senator JOHNSTON. Now, in regard to universal training, what percent of the young men go to college? Do you have the statistics?

Mr. BARUCH. What percentage do what?

Senator JOHNSTON. What percent of the young men of America have attended college in the past? It is very low, is it not, as they reach 21?

Mr. BARUCH. Do you mean how many enter?

Senator JOHNSTON. Yes.

Mr. BARUCH. I could not answer that.

The CHAIRMAN. There are about 900,000 young men, not counting women, who turn 18 every year, and there are about 1,000,000 students in the United States of collegiate grade.

Senator JOHNSTON. Could something be worked out, in your opinion, Mr. Baruch, to permit the young men who desire to go to college to take such training in college, something like the ROTC?

Mr. BARUCH. We are talking about universal military service. I believe in it and I believe in it from my own experience. A wise man like General Marshall, who has elements of greatness about him, and Eisenhower, who is not only a soldier but a statesman, both believe in it. I believe in universal military service. When we get ready to stand up for our rights, we want to be ready.

Of course, it will inconvenience a lot of people. You cannot eat your pie and have it at the same time. There are a lot of things you do not like to do. There will be a lot of unpleasant things which will have to be swallowed if we are to have peace.

Senator JOHNSTON. So you think if we have a strong trained Army the other nations will hesitate before they begin a war?

Mr. BARUCH. I want universal military training so that everybody will have the physical and mental training and knowledge of the use of arms.

The CHAIRMAN. Senator White, did you have a question?

Mr. WHITE. I would like to ask a question.

Speaking of the future of Germany in solving the problems of Germany's place in the world's trade and business, what is your idea of what the Germans will use for money?

Mr. BARUCH. Did you ask what will they use for money?

Mr. WHITE. What will they use for money in establishing their place in the world? They are going to be a factor; they are efficient and industrious, and I am wondering in the light of past experience, what the Germans will use for money, domestically or internationally.

Mr. BARUCH. I do not think they will have much chance for a good many years, until they have shown a rebirth and ability to live in peace with their neighbors. When that is done I am quite sure there will be no difficulty in their getting credit. Certainly after the last war they got it in great quantity.

Mr. WHITE. Will we rehabilitate German credit as a means of doing business with them?

Mr. BARUCH. I do not want to build up their machinery now; I do not want to do business with them now. I do not think they should be permitted to produce beyond what they need for their own necessities. I want to break their war machine once and for all. I want to keep them from exporting and waging economic war as well as military war. Germany and Japan have cut down the living standards in this and other countries by excessive governmental subsidies on exports.

Mr. WHITE. Do you think permanent peace lies in the direction of subduing and keeping these people from doing business and participating in world trade?

Mr. BARUCH. Until war is displaced as their chief business, certainly, if you want to keep out of war. If our first object is to keep them from having another war machine, you have to do what needs to be done. You cannot let them revive industrially and become a war-like nation again.

I have made my choice. This is the Second World War I have seen, and I do not want to see a third one. In my opinion you cannot industrialize Germany and keep her from being a war agency.

Mr. WHITE. Thank you.

The CHAIRMAN. Senator Hill?

Senator HILL. I find myself so much in accord with what Mr. Baruch has said that, although there are many questions we might ask, I shall not ask any questions at this time. I have been listening to Mr. Baruch too many years for Mr. Baruch and me to admit. He always comes with an able and informative challenging statement, but I do not think, Mr. Baruch, you have ever come with a finer or more important or more statesmanlike statement than you have brought here this morning. I think you have made a very magnificent contribution to the tremendous problem that challenges the Congress and the American people at this hour.

Mr. BARUCH. Thank you very much.

The CHAIRMAN. Thank you, Mr. Baruch.

The hearing will stand in recess.

(Whereupon, at 12:25 p. m., the committee adjourned.)

Arcane School
11 West 42nd St.
32nd Floor
New York 18, N.Y.

Miss A. Bailey

Dear Fellow Student:

I find it impossible to let this opportunity pass without adding my tribute to those of the many who today are hailing the late President as the "spearhead" of the Forces of Light.

I have frequently been challenged on the statement which I have made in the past that Franklin D. Roosevelt was a great world disciple. I would like you to why and on what grounds I have felt justified in saying this. What is a world disciple? How does a world disciple differ -if he does - from an ordinary disciple as usually understood? A world disciple might be defined as one who thinks in the largest possible terms and who is endowed with an almost planetary understanding, plus more than the average share of undaunted courage. I would like to make clear to you what it seems to me (for I am here only expressing my personal point of view) President Roosevelt stood for, what was the outstanding quality of his source and what it was that made him a world disciple, apart from his vision.

President Roosevelt thought in world terms. Humanity, as a whole, was included in his thinking. He planned and fought for mankind, for human welfare and for right human relations. You will find what I here say substantiated in the extracts from his speeches which I took from the New York World Times of Sunday, April 15, 1945. There is, therefore, no need for me to elaborate; he can speak for himself. The petty little minds which are found among the isolationists, the America Firsters and the purely nationalistic thinkers are not capable of understanding the breadth of view and the depth of understanding (usually growing out of personal pain and struggle) which can think in world terms; the greater can always include the lesser; the lesser cannot include the greater. Roosevelt loved, worked and fought for humanity and lost his life in so doing.

A world disciple is a rounded out, integrated human being, practical, efficient and at the same time deeply spiritual. Roosevelt was all of these. We are apt to misinterpret the word "spiritual" and to think of it in terms of religion or of a sentimental interest in human welfare. The late President was a religious man; his interest in humanity was deep and practical but to all this he added the capabilities of a fearless fighter. The moment he came into power, he struck a blow against materialism - a blow which was most successful. He took over during the depression; unerringly he put his finger on the basic cause of the depression - the selfishness and greed of certain powerful groups. He took the needed steps to curb them; he made successful plans to prevent their acquiring more power, more money and more influence; he thereby drew to himself their untiring opposition. A world disciple inevitably fights greed and wars against materialistic activity. Idealists do the same but they are usually impractical. They are voices crying in the wilderness; they point out evil but cannot remedy it. A disciple, such as Roosevelt, takes the needed steps to offset materialism and thereby incurs the hate and fury of those he frustrates. This he did. It is not the little people of the world or the mass of men in our villages and factories who hate and attack Roosevelt. It is a small and powerful minority of men who see their profits reduced, their power limited and the tide of good fortune turning in the direction of small business and labor. The mass of men everywhere loved Roosevelt, a few powerful

men also loved him; the selfish and greedy minority fought him to the end.

He always thought in terms of mankind; he fought consistently for the welfare of humanity. He can be hailed as one who brought new vision and hope into human life everywhere - in Asia, in Europe and in this country. Out of these two capacities, another hallmark of a world disciple grows: he is ever defamed, hated and obstructed by the greedy and powerful few. This as all of us know was the fate of Roosevelt. He was "smeared" defamed and attacked by powerful interests or by those who chose, unthinkingly to follow those interests. Whispering campaigns were started and stories spread which had no basis in fact. I do not wish to be explicit but I will make one commonsense rebuttal. It is impossible for any man to reach the age Roosevelt had, and to carry the load he carried and to obtain the planetary influence he obtained and, at the same time, to have habits and faults such as those attributed to him by his enemies, particularly as he was a victim of infantile paralysis. To accomplish what he accomplished, he had to lead a disciplined life; of that there is every evidence in the work he did, in his ability to meet world need, in his planning and his grasp of essentials. To these his Fireside Talks (which we shall all miss) and his public utterances give evidence. To many who themselves carry wide responsibility, these smearing attacks simply seemed silly. Now that he is gone, let us hope that those who talked this way will feel some measure of remorse; that they will realise that they served to complicate his work and added to the burden which eventually killed him. He was aware of this, as much as any soldier who dies as a result of war pressure and the hate he has to meet.

Another characteristic of a world disciple is the ability to stand steady no matter what may happen. Would we have been able to surmount what Roosevelt surmounted, even physically? Would we have kept silent in the face of insidious and lying attack and defamation?

My reason for writing the above and for sending out these extracts from his speeches and public utterances is that because we are disciples, aspirants, men and women of good will, we will carry on the work he started and must understand that for which he stood. Churchill is a great and good man. At the time of a planetary crisis and when the forces of evil were steadily growing in power, he stood steady and (like Atlas) lifted the mountain of humanity upon his shoulders and strengthened the British Empire to stand immovable until such time as we over here could be ready to come to the aid of our fellowmen. We are apt to forget sometimes in the justifiable pride we feel for our fighting armies that Great Britain numbers only about forty-nine million people against our one hundred and thirty-seven million. Even if we add the contribution of Australia, New Zealand, Canada, and South Africa, the British Empire is heavily outnumbered by the United States. India, we do not count, because her war effort - amazing and gallant - is purely voluntary. Churchill cannot however be regarded as the "spearhead" of the Forces of Light, driving a wedge into all that which opposes the New Age. He summarises rather the assembling and organising of all that is best which can be salvaged from the past. Roosevelt, however, had the vision which pointed the way into a better future for mankind; if you will read the extracts from his speeches, you will realise the truth of this statement. My words will perhaps have added value if you will remember that I am British by birth, that I lived there, on the continent of Europe and in India until I was thirty and that I have been thirty-five years in this country.

I know also what Europe and other countries think about our President, because many, very many, intelligent men and women in those other lands write and tell me. I have heard from them or talked with them constantly since 1930 - Danish, Italian, Spanish, French, Belgian, Roumanian, Czech and British. They recognise spiritual values when they meet them - as you do. They recognised Roosevelt. They loved and trusted him and he did not betray them. We must not betray him.

He voiced for humanity its need and its cure; he also set in motion those activities which will implement that new and better world of which we dream and for which we hope and for which we will work - under his direction. He is not dead; he is only working on the other side.

Alice A. Bailey

March 23, 1934.

Charles G. Baldwin,
521 Munsey Building,
Baltimore, Md.

Dear Sir:-

Your name has been furnished me by our mutual friend and former resident of Baltimore as one who could, no doubt, furnish me with a copy of the form of land lease common in your city, or the salient provisions of same, I take the liberty of requesting the same, which favor would be deeply appreciated.

I have been hearing about "The Baltimore Lease Plan" for many years but having a present special interest in same, was unable to find anything about same, in any encyclopedia or other authority available.

The form of lease in use by this corporation, may be of some interest--if only "academic" to you--and I enclose a copy.

Thanking you,

Yours most sincerely,

Extract from letter of a correspond~~nt~~ett, who lived many years in Baltimore, but whose name I prefer not to use on his account.

"The Baltimore leases are mostly for 99 years and are automatically renewable. Unlike yours they have no provision for periodical revaluations. Thus some of the leaseholders get considerable 'unearned increment.'

"Unlike yours the landowner is not required to pay any taxes. On the contrary every lease contains a provision that the leaseholder is to pay all taxes assessed against the property. When such property is sold for unpaid taxes the landowner has but to file a statement with taxing authorities that he owns the ground-rent and then the tenant's property only will be sold unless it fails to bring in enough to cover taxes in ~~years~~The opposite is the case with the Fairhope Corporation.

"When a Baltimore contractor buys a tract for development he puts a ground rent on each lot which is usually about double the ~~groundrent~~ economic rent. Thus, on a lot that could not possibly sell for more than \$500 he will make the ground rent \$60 a year. The homebuilder does not see that he is being overcharged. He gets possession without purchase by signing the lease and paying six months ground rent, on his agreement either to improve or to buy the improvements already on. The contractor has no trouble to sell the ground rent for cash. They are very desirable investments when the ground has been properly improved."

BALDWIN COUNTY ABSTRACT COMPANY

P. E. TETER, MANAGER

BAY MINETTE, ALABAMA

May 4, 1949

Mr. C. A. Gaston
Fairhope, Alabama

Dear Mr. Gaston

I have been endeavouring to make an abstract on the following property in Fairhope

Lots 1 and 8 in Block 7 of Division 4 Town of Fairhops

and have had pretty rough sledding, for the reason that there seems to be a lease left off the records, perhaps more than one, giving an incomplete title at best.

Therefore, Mr. Teter has suggested that I write to you for a "history" of this property as revealed by your records, for which I shall be very grateful.

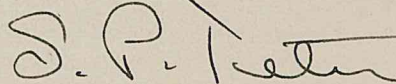
We are trying to get a guaranty on this property and until some links are supplied from records which did not seem to get to the Courthouse, we are stymied.

Thanking you for any assistance which you might be good enough to give us, we are,

Yours very truly

Baldwin County Abstract Company

By



May 7, 1949

Baldwin County Abstract Co.
Bay Minette, Alabama

Attn: S. P. Teter

Dear Mrs. Teter:

In reply to your request of May 4, for information on Lots 1 & 8, Block 7, Division 4, we herewith submit the enclosed.

Many of our lessees do not place their leases on record. Though these leases are written for 99 years, a new lease of current date is issued each time a lease is transferred. You will note in this case that no lease remained in effect for the statutory 20 years.

It is our practice to issue new leases of current date to any lessee who wants a recorded lease but has neglected to record the lease issued him within the one year allowed by statute.

We are pleased to be of any service that will benefit our lessees.

Very truly yours,

Secretary

FAIRHOPE SINGLE TAX CORPORATION
FAIRHOPE, ALABAMA

September 23 1939

DEAR LESSEE:—

I wish to call to your attention that the last half of the 1939 rent \$_____ on your leasehold is delinquent October first. To avoid penalty, payment must be made now. Tax receipts that may be credited on this account, should be delivered to the Treasurer.

C. A. Gaston, Secretary

THE FAIRHOPE SINGLE TAX CORPORATION

Demonstrating Sound Policies of

Public Revenue Without Taxes
And Free Land for Users

Office: Fairhope, Alabama.

Ad in Baldwin County Fair Catalog
\$5.00.

Bladwin Co. Fair Ass'n,
Silverhill

D.R.

July 22, 1940

Baldwin County Fair Ass'n.,
Silverhill, Alabama,

Gentlemen:

I have been instructed by the Executive Council to direct that our advertisement in last year's issue of the Fair Catalog be continued in the 1940 edition.

You may bill us with the \$5.00 charge in accordance with your rules.

Very truly yours,

Secretary.

Sept. 15, 1947

Mr. Kirby Wharton, Director
Baldwin County Regional Planning Commission
Fairhope, Alabama

Dear Mr. Wharton:

Your letter of August 18, proposing that our Corporation make a donation of \$200.00 to the budget of the Planning Commission, was read to our Executive Council at its meeting of September 4.

There was a quite general discussion with all members participating. No action was taken but the consensus of opinion appeared to be that there was a prior obligation to expend such funds as are now available for a more direct benefit to present lessees.

Our next meeting is scheduled for Thursday of this week and I am sure you will be welcome to attend should you care to make a personal proposal to the Council or if you would like to have the matter presented by another.

Very truly yours,

Secretary

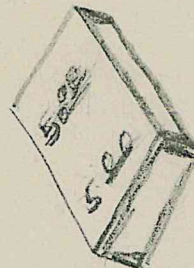
COPY

BANK OF FAIRHOPE

FAIRHOPE, ALABAMA

"On Mobile Bay"

August 18, 1947



Fairhope Single Tax Corporation
Fairhope, Alabama

Attention: Dr. C. A. Gaston

Gentlemen:

No doubt most of your members are well aware of the effort being made by the Baldwin County Recreational & Tourist Association to establish a progressive program of promotion for Baldwin County.

The budget set for the county for the first year is \$12,000.00. Fairhope's part of this budget is \$3,000.00. We would appreciate it if your body would consider a donation of the sum of \$200.00 for this purpose. This is the amount that we are requesting from the Town of Fairhope and the same amount is requested from the Bank of Fairhope.

Your consideration to this request will be appreciated and we are sure that your Mr. J. E. Gaston can give you any detailed information that you may desire regarding this effort, inasmuch as he is a member of the Baldwin County Board of Commissioners. That board has made very substantial contributions to the furtherance of this effort.

Yours sincerely,


Director

Baldwin County Regional Planning Commission

kw/mt

cc: Mr. J. E. Gaston
Fairhope, Alabama

*Discussed no action
Issue money*

June 5, 1954

Bank of Fairhope
Fairhope, Alabama

Gentlemen:

We wish to report that our treasurer, Fred Chapin Jr. is ill and unable to attend to his duties as such officer including that of signing the corporations checks.

In consideration of this deficiency our Executive Council, at its last meeting, June 3, adopted a resolution as follows:

BE IT RESOLVED that the corporation's secretary, C. A. Gaston, be authorized to issue and sign for the treasurer, such corporation checks as may be needed in the transaction of corporation business until such time as the treasurer may be able to resume the duties of his office.

We will appreciate it if you will so advise us should any further action be required.

Very truly yours,

Secretary

Feb. 4, 1955

Bank of Fairhope
Fairhope, Alabama

Gentlemen:

Our annual election of officers was held yesterday, February 3, and Marvin O. Berglin was elected treasurer.

Hereafter Treasurer Berglin will sign all checks drawn on the account of this corporation, as provided by our constitution.

Very truly yours,

Secretary

Fairhope, Ala. Feb. 15., '34

Senator J.W. Bankhead,
Washington, D.C.

My Dear Senator Bankhead:

I have taken occasion before to write you regarding your championship of what seemed to me sensible and practical relief measures, your "scrip" plan and "subsistence home-steals." Of the first you did not get sufficient support to permit a trial, and I infer that difficulties have been found in the second which has not made results come up to expectations.

I am now interested in items I have seen in the daily press about your alleged proposal to attack farm tenantry from the point of furnishing money on long time with a low rate of interest to give them ownership instead of tenantry.

I would appreciate it very much if you would favor me with copies of any addresses you have made or bills you have offered along this line.

very respectfully yours,

Secretary.

P.S. Under another cover I am mailing you a copy of the Fairhope Courier of this week, in which I have marked a short editorial comment.

CARTER GLASS, VA., CHAIRMAN
KENNETH MCKELLAR, TENN.
ROYAL S. COPELAND, N. Y.
CARL HAYDEN, ARIZ.
ELMER THOMAS, OKLA.
JAMES F. BYRNES, S. C.
MILLARD E. TYDINGS, MD.
RICHARD B. RUSSELL, JR., GA.
MARCUS A. COOLIDGE, MASS.
ALVA B. ADAMS, COLO.
PATRICK MC CARRAN, NEV.
JOHN H. OVERTON, LA.
JOHN H. BANKHEAD, ALA.
JOSEPH C. O'MAHONEY, WYO.
WILLIAM GIBBS MCADOO, CALIF.
HARRY S. TRUMAN, MO.

FREDERICK HALE, MAINE
HENRY W. KEYES, N. H.
GERALD P. NYE, N. DAK.
FREDERICK STEIWER, OREG.
PETER NORBECK, S. DAK.
L. J. DICKINSON, IOWA
JOHN G. TOWNSEND, JR., DEL.
ROBERT D. CAREY, WYO.

KENNEDY F. REA, CLERK
JOHN W. R. SMITH, ASST. CLERK

United States Senate

COMMITTEE ON APPROPRIATIONS

February 21, 1935

Mr. E. B. Gaston, Secretary,
Fairhope Single Tax Cor.,
Fairhope, Alabama.

My dear Mr. Gaston:

Your letter of the 15th is received.

I am inclosing copy of my speech on my
farm tenant plan and also copy of the bill. I am
glad to know of your interest in my plan.

I thank you for sending me a copy of the
Fairhope Courier.

Sincerely yours,

JHB:L
incl.

JH Bankhead

1919
18-95-
24

74TH CONGRESS
1ST SESSION

S. 1800

IN THE SENATE OF THE UNITED STATES

FEBRUARY 7 (calendar day, FEBRUARY 11), 1935

Mr. BANKHEAD introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To create the Farm Tenant Homes Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Farm Tenant Homes
4 Act of 1935."

5 The powers conferred in this Act shall be exercised
6 with a view to checking the rapid increase of tenancy in the
7 United States, reducing unwarranted speculation in farm
8 real estate, lessening the economic instability of tenant oper-
9 ators, and reducing the waste of soil resources which charac-

1 terize the predominant systems of farm tenancy in the United
2 States, alleviating conflicts between landowners and tenants
3 which tend to develop, providing types of farm homes better
4 adapted to the requirements of persons engaged in farming,
5 promoting a more secure occupancy of farms and farm homes,
6 improving farming systems and modes of living, contributing
7 to agricultural adjustment, returning to the control of farm
8 operators lands that have reverted to corporate ownership
9 through foreclosure, and, in accordance with the example
10 of many other civilized countries, providing, in general, a
11 democratic system of land tenure.

12 SEC. 2. (a) There is hereby created a Corporation to
13 be known as " Farm Tenant Homes Corporation " (here-
14 after in this Act referred to as " the Corporation "), which
15 shall be an instrumentality of the United States, and shall
16 be under the direction of the Secretary of Agriculture (here-
17 after in this Act referred to as " the Secretary "), and oper-
18 ated by him under bylaws, rules, and regulations to be pre-
19 scribed by him for the accomplishment of the purposes of
20 this Act. The number of directors to constitute the board,
21 the members of which shall be appointed by, and be sub-
22 ject to removal by, the Secretary, shall be three. The
23 board of directors first appointed shall be deemed the incor-
24 porators, and the incorporation shall be deemed to have been
25 effected from the date of the first meeting of the board.

1 (b) The Secretary shall determine the minimum
2 amount of capital stock of the Corporation and is authorized
3 to increase such capital stock from time to time in such
4 amounts as may be necessary, but not to exceed in the
5 aggregate \$100,000,000. Such stock shall be subscribed
6 for by the Secretary of the Treasury on behalf of the United
7 States, and payments for such subscriptions shall be sub-
8 ject to call in whole or in part by the Secretary and shall
9 be made at such time or times as the Secretary of the Treas-
10 ury deems advisable. The Corporation shall issue to the
11 Secretary of the Treasury receipts for payments by him for
12 or on account of such stock, and such receipts shall be evi-
13 dence of the stock ownership of the United States. In
14 order to enable the Secretary of the Treasury to make such
15 payments when called, the Reconstruction Finance Cor-
16 poration is authorized and directed to allocate and make
17 available to the Secretary of the Treasury the sum of
18 \$100,000,000, or so much thereof as may be necessary, and
19 for such purposes the amount of notes, bonds, debentures, or
20 other such obligations which the Reconstruction Finance
21 Corporation is authorized and empowered under the provi-
22 sions of the Reconstruction Finance Corporation Act, as
23 amended, to have outstanding at any one time, is hereby
24 increased by such amounts as may be necessary.

1 (c) The Corporation is authorized to issue bonds in
2 an aggregate amount not to exceed \$1,000,000,000, which
3 may be sold by the Corporation to obtain funds for carry-
4 ing out the purposes of this Act. Such bonds shall be in
5 such forms and denominations, shall mature within such
6 periods from the date of their issue, shall bear such rates of
7 interest, shall be subject to such terms and conditions,
8 and shall be issued in such manner and sold at such prices,
9 as may be prescribed by the Corporation, with the approval
10 of the Secretary of the Treasury. Such bonds shall be fully
11 and unconditionally guaranteed both as to interest and prin-
12 cipal by the United States, and such guaranty shall be
13 expressed on the face thereof, and such bonds shall be lawful
14 investments, and may be accepted as security for all fiduci-
15 ary, trust, and public funds, the investment or deposit of
16 which shall be under the authority or control of the United
17 States or any officer or officers thereof. In the event that
18 the Corporation shall be unable to pay upon demand, when
19 due, the principal of, or interest on, such bonds, the Secre-
20 tary of the Treasury shall pay to the holder the amount
21 thereof which is hereby authorized to be appropriated, out
22 of any moneys in the Treasury not otherwise appropriated,
23 and thereupon to the extent of the amount so paid the
24 Secretary of the Treasury shall succeed to all the rights of
25 the holders of such bonds. The Secretary of the Treasury,

1 in his discretion, is authorized to purchase any bonds of
2 the Corporation issued under this subsection which are guar-
3 anteed as to interest and principal, and for such purpose the
4 Secretary of the Treasury is authorized to use as a public-
5 debt transaction the proceeds from the sale of any securities
6 hereafter issued under the Second Liberty Bond Act, as
7 amended, and the purposes for which securities may be
8 issued under such Act, as amended, are extended to include
9 any purchases of the Corporation's bonds hereunder. The
10 Secretary of the Treasury may, at any time, sell any of
11 the bonds of the Corporation acquired by him under this sub-
12 section. All redemptions, purchases, and sales by the Sec-
13 retary of the Treasury of the bonds of the Corporation shall
14 be treated as public-debt transactions of the United States.
15 The bonds issued by the Corporation under this subsection
16 shall be exempt, both as to principal and interest, from all
17 taxation (except surtaxes, estate, inheritance, and gift taxes)
18 now or hereafter imposed by the United States or any Dis-
19 trict, Territory, dependency, or possession thereof, or by
20 any State, county, municipality, or local taxing authority.
21 The Corporation, including its franchise, its capital, reserves
22 and surplus, its loans and income, and its real and personal
23 property shall likewise be exempt from such taxation. The
24 Corporation shall have power, however, to make payments
25 to States and governmental subdivisions thereof, for the fur-

1 nishing of such public services and facilities as are custo-
2 marily provided for out of taxes and assessments, to the
3 farm, farm homes, and farm communities established as
4 provided for hereinafter. The Corporation shall have power
5 to purchase in the open market at any time and at any price,
6 not to exceed par, any of the bonds issued by it. Any
7 such bonds so purchased may, with the approval of the
8 Secretary of the Treasury, be sold or resold at any time and
9 at any price.

10 (d) Any person indebted to the Corporation may
11 make payment to it in part or in full by delivery to it of
12 bonds, which shall be accepted for such purpose at face
13 value.

14 (e) The Corporation shall have power to fix the com-
15 pensation of its directors, and to select, employ, and fix the
16 compensation of such officers, employees, attorneys, or
17 agents as shall be necessary for the performance of its duties
18 under this Act, without regard to the provisions of other
19 laws applicable to the employment or compensation of offi-
20 cers, employees, attorneys, or agents of the United States.
21 No director, officer, employee, attorney, or agent shall be
22 paid compensation at a rate in excess of \$10,000 per annum.
23 Insofar as applicable, the benefits of the Act entitled "An
24 Act to provide compensation for employees of the United
25 States suffering injuries while in the performance of their

1 duties, and for other purposes", approved September 7,
2 1916, as amended, shall extend to persons given employ-
3 ment under the provisions of this Act. The Corporation
4 shall be entitled to the free use of the United States mails
5 for its official business in the same manner as the executive
6 departments of the Government, and shall determine its
7 necessary expenditures under this Act, and the manner in
8 which they shall be incurred, allowed, and paid, without
9 regard to the provisions of any other law governing the
10 expenditure of public funds.

11 (f) The Secretary is authorized to make such bylaws,
12 rules, and regulations, not inconsistent with the provisions of
13 this Act, as may be necessary for the proper conduct of the
14 affairs of the Corporation.

15 SEC. 3. The Corporation shall have succession in its
16 corporate name, and shall have power—

17 (a) To sue and be sued in its corporate name in any
18 court of competent jurisdiction, Federal or State.

19 (b) To adopt and use a corporate seal which shall be
20 judicially noticed.

21 (c) To make loans to farm tenant and share-croppers,
22 to buy farm homes and farm supplies and equipment, in-
23 cluding livestock.

24 (d) To acquire through purchase, gift, assignment, or
25 in any other manner farm lands and personal property

1 needed in equipping and operating farms, and any or all
2 rights required in connection with the purposes authorized
3 in this Act.

4 (e) In carrying out the provisions and purposes of
5 this Act, to improve, develop, and to sell, or lease any
6 property acquired by it to farm tenants and share-croppers.
7 It may make loans to farm tenants and share-croppers to
8 aid them in purchasing and operating farm homes.

9 (f) When any farm property, real or personal, has
10 been acquired, it may execute contracts to convey the
11 property to the purchaser (who must be a farm tenant
12 or share cropper) or his heirs, upon full compliance with
13 all the requirements of said contract. It is authorized to
14 provide in said contracts for a conveyance of the property,
15 prior to the full payment of the amount due with respect
16 thereto, on the execution of a mortgage thereon to secure
17 the balance due. The Corporation is authorized to make
18 conveyances under the terms of said contract. The Cor-
19 poration may, when the purchaser or borrower so desires,
20 convey or cause to be conveyed the land to the purchaser
21 or borrower and take a mortgage on said land to secure
22 the loan and interest thereon, and to satisfy the record
23 thereof when the indebtedness secured by the mortgage
24 has been paid in full.

1 (g) Preference shall be given applicants for loans
2 who are married or who have dependent families and have
3 good moral character and are experienced in farming and
4 are familiar with farm operations.

5 (h) The principal shall be made payable in not less
6 than thirty nor more than fifty annual installments begin-
7 ning three years from the date the land is acquired if the
8 purchaser or borrower so desires.

9 (i) The rate of interest shall be as low as the Corpo-
10 ration can secure the money plus a reasonable charge for
11 administration.

12 (j) The purchase of farm homes shall be confined, as
13 far as it reasonably can be done, to aiding tenant farmers
14 and share-croppers to acquire farm homes on lands now in
15 cultivation. Special effort shall be made by the Corporation
16 to avoid, as far as practicable, the expansion of production
17 for the market of crops as to which there exists a sufficient
18 supply. The provisions of section 355 of the Revised
19 Statutes, as amended, shall not apply to lands acquired, or
20 construction work undertaken by the Corporation under the
21 provisions of this Act.

22 (k) To pay all expenses incident to the examination
23 and survey of the necessary areas and the acquisition of title
24 to lands to be acquired, including fees for the services of

1 abstractors, title attorneys, and escrows, recording fees, and
2 options when deemed necessary, to assist the beneficiaries
3 of the program to secure and maintain appropriate fire-insur-
4 ance policies, and to pay such other expenses as may be
5 determined necessary to the efficient carrying out of the pro-
6 grams herein authorized.

7 (l) The Corporation may accept and utilize such volun-
8 tary and uncompensated services, cooperate with such Fed-
9 eral and State agencies, and utilize, with the consent of the
10 State, such State and local officers and employees as may be
11 necessary.

12 (m) To establish such branch and local offices as it
13 may deem necessary, but the principal office of the Corpora-
14 tion shall be in the District of Columbia.

15 (n) To exercise such other powers as may be neces-
16 sary or appropriate to the efficient exercise of the powers
17 specifically conferred.

18 SEC. 4. The jurisdiction, both civil and criminal, over
19 persons resident on lands acquired under the provisions of
20 this Act shall not be changed by reason of such acquisition,
21 except so far as the punishment of offenses against the
22 United States thereon is concerned; the intent of this pro-
23 vision being that the several States in which such lands
24 are situated shall not, by reason of such acquisition, lose
25 their jurisdiction, nor the inhabitants thereof, their rights

1 and privileges as citizens, or be absolved from their duties
2 as citizens of the States.

3 SEC. 5. The Federal Reserve banks are authorized,
4 with the approval of the Secretary of the Treasury, to
5 act as depositaries, cutodians, and fiscal agents for the
6 Corporation.

7 SEC. 6. (a) Whoever makes any statement, knowing
8 it to be false, or whoever willfully overvalues any property,
9 for the purpose of influencing in any way the action of the
10 Corporation or the Secretary upon any application, advance,
11 purchase or repurchase agreement, or loan, under this Act,
12 or any extension thereof, or the acceptance, release, or
13 substitution of security therefor, shall be punished by a fine
14 of not more than \$5,000, or by imprisonment for not more
15 than two years, or both.

16 (b) Whoever (1) falsely makes, forges, or counter-
17 feits any note, debenture, bond, or other obligation or coupon,
18 in imitation of or purporting to be a note, debenture, bond
19 or other obligation, or coupon issued by the Corporation;
20 or (2) passes, utters, or publishes, or attempts to utter, pass,
21 or publish any false, forged, or counterfeited note, debenture,
22 or other obligation or coupon, purporting to have been issued
23 by the Corporation, knowing the same to be false, forged
24 or counterfeited; or (3) falsely alters any note, debenture,
25 bond or other obligation or coupon, issued or purporting

1 to have been issued by the Corporation; or (4) passes,
2 utters or publishes, or attempts to pass, utter or publish, as
3 true any falsely altered or spurious note, debenture, bond
4 or other obligation or coupon, issued or purporting to have
5 been issued by the Corporation, knowing the same to have
6 been falsely altered or spurious, shall be punished by a fine
7 of not more than \$10,000, or by imprisonment for not more
8 than five years, or both.

9 (c) Whoever, being connected in any capacity with
10 the Corporation (1) embezzles, abstracts, purloins, or will-
11 fully misapplies any moneys, funds, securities, or other things
12 of value, whether belonging to it or pledged or otherwise
13 intrusted to it; or (2) with intent to defraud the Corpora-
14 tion, or any other body politic or corporate, or any individ-
15 ual, or to deceive any officer, auditor, or examiners of the
16 Secretary or the Corporation, makes any false entry in any
17 book, report, or statement of or to the Secretary of the
18 Corporation, or without being duly authorized, draws any
19 order or issues, puts forth or assigns any note, debenture,
20 bond or other obligation or draft, mortgage, judgment, or
21 decree thereof, shall be punished by a fine of not more
22 than \$10,000, or by imprisonment for not more than five
23 years, or both.

24 (d) The provisions of sections 112, 113, 114, 115,
25 116, and 117 of the Criminal Code of the United States

1 (U. S. C., title 18, secs. 202-207, inclusive), insofar as
2 applicable, are extended to apply to contracts or agree-
3 ments of the Corporation, which for the purposes hereof
4 shall be held to include advances, loans, purchase and
5 repurchase agreements; and extensions and renewals thereof;
6 acceptances, releases, and substitutions of security therefor;
7 and sales of property to the Corporation.

8 (e) No person, partnership, association, or corpora-
9 tion, shall directly or indirectly solicit, contract for, charge
10 or receive, or attempt to solicit, contract for, charge, or
11 receive any fee, charge or other consideration from any
12 person applying to the Corporation for a loan or other
13 assistance, whether bond or cash, except ordinary fees
14 authorized and required by the Corporation for services
15 actually rendered for examination and perfection of title,
16 appraisal, and like necessary services. Any person, part-
17 nership, association, or corporation violating the provisions
18 of this subsection shall, upon conviction thereof, be punished
19 by a fine of not more than \$10,000, or imprisonment for
20 not more than five years, or both.

21 SEC. 7. If any provision of this Act, or the application
22 thereof to any person or circumstance, is held invalid, the
23 remainder of the Act, and the application of such provision
24 to other persons or circumstances, shall not be affected
25 thereby.

A BILL

To create the Farm Tenant Homes Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes.

By Mr. BANKHEAD

FEBRUARY 7 (calendar day, FEBRUARY 11), 1935

Read twice and referred to the Committee on
Agriculture and Forestry

THE FARM TENANT HOMES CORPORATION BILL

A radio talk by Senator J. H. Bankhead of Alabama on Friday, February 15, 1935, at 1:30 o'clock P. M., over the N. B. C. Network of associated radio stations, WRC Studio, Room 1282, National Press Building, Washington, D. C.

---oooOooo---

Ladies and Gentlemen of the Radio Audience:

At the invitation of the National Broadcasting Company I am before the microphone today to tell you something about the Farm Tenant Bill that I am sponsoring, and that I introduced in the Senate of the United States on Monday, February 11.

In order that you may have a clear understanding of this new measure I'll first outline in a general way some of the conditions that prompted the bill, and second, how I believe it will remedy those conditions.

Having been reared in the hill section of Northwest Alabama I have observed as far back as I can remember that the farm tenant situation in that section, which is no worse or no better than it is in many other sections, is not what it ought to be. A man can not well take the same interest in a community when he is a tenant as he does when he owns his own home. That, of course, is human nature, but it has hindered the best development just the same.

I am informed that something like one-third of all the tenants in the country move every year. In some parts of the country, particularly in certain sections of the Cotton Belt, the tenants move about so much that it is impossible to say what percentage change farms every year. The percentage is very high.

Now you can't build a community, or a country, or a section when so large a percentage of its people move out every year, and their places are taken by new people who follow the same practice. Of course, all tenants don't move that frequently. But taking the country as a whole, tenants move entirely too often for their own good as well as for the good of the community. Whether they move voluntarily or for other reasons, the results are the same.

In addition to this moving about which takes place every year, another problem has arisen in the last 5 or 6 years which has added fuel to the already damaging flame. Following the crash of the stock market in the Fall of 1929 there was an exodus of industrial employees from the cities back to relatives on the farms. It's true that many of these industrial people have a farm background, but their return made it necessary for some farm families to go on the relief rolls.

On top of those two conditions we have a big army of tenants who have simply farmed themselves poor and almost helpless on submarginal lands. Many of these tenants would become prosperous farm owners with a future if they could be relocated on better land, and could be given a good start toward home ownership. But as it stands now all they can do is to plug along until they die trying to eke out a living on land that is too poor for profitable cultivation.

Those of you who read history know that Denmark had a farm problem, similar to the one we are passing through, about 60 years ago. She solved her problem by doing something similar to the thing that I am proposing in the Farm Tenant Bill which I introduced in the Senate.

The Denmark system has operated successfully for more than 50 years. Denmark is one of the finest agricultural countries in the world. Her farmers practically run the country on a cooperative basis. It's true that they have had a little difficulty in the last year or so because the world-wide depression affected the buying power of their big market which is London. But if we could work out a farming system in this country that would help our

farmers as much as the Danish system has helped their farmers, we could afford to junk it if necessary after it had served us for 50 years.

Anyway, our tenant problem is a serious problem, and if we can solve it or even improve it, as Denmark has done, let's make an attempt. Let's not stand by and twiddle our fingers while relief rolls mount, and while thousands of tenant families eke out a mere hand-to-mouth existence from submarginal lands that ought to grow only trees or pastures.

On account of my active participation in the Cotton Control program, which I believe helped to remake the South, I have been asked by tenants and farmers in many sections of the country to work out a measure that would solve our great tenant problem; a measure that would help worthy tenants to buy and pay for their own homes, and a measure that would enable them to produce their own food and feed without burdening our regular cash crops that are so important to our well-being.

That is the problem I am trying to solve, and that is the problem I believe the Farm Tenant Bill I am sponsoring will solve if its provisions are properly carried out. Now let's look at the bill, and see how it proposes to solve some of these problems.

The Farm Tenant Bill that I introduced is Senate Bill No. S. 1800. The title is a bill to create the Farm Tenant Homes Corporation. And the object of this bill is, quote -- "To promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes." Unquote.

One of the big aims of this bill is to check the rapid increase of tenancy in the United States. Another is to help worthy farm tenants to acquire and own farm homes. Still another is to lessen the waste of soil resources which is so characteristic in our present tenant system.

The Farm Tenant Homes Corporation---as described in the bill---is a Corporation with financial power and authority similar to that of the Home Owner's Loan Corporation.

The financing is to be done principally through an authorized bond issue of one billion dollars.

The Corporation will be managed by a board of Directors composed of 3 members and appointed by the Secretary of Agriculture. The operation of the program will be in the hands of the board of directors and the various assistants they choose to help them with the work.

This corporation is authorized to purchase farm lands and all necessary farm equipment, or to make loans for the purchase of such property. The title to the property may be taken either in the name of the purchaser or in the name of the corporation. Purchasers are limited to farm tenants and sharecroppers, and farm laborers of good moral character who have had farm experience and who are familiar with farm operations. Preference will be given to applicants for loans who are married, or who have dependent families.

The loan principal will be made payable in not less than 30 nor more than 50 annual installments beginning three years from the date the land is acquired if the purchaser or borrower so desires. In other words, the purchaser can defer the payments of the annual installments for 3 years after he goes on the farm if that is necessary.

The rate of interest that the tenant or purchaser will have to pay will be just as low as the corporation can get the money for, plus a reasonable charge for administration. We don't know yet just what that will be.

The purchase of farm homes will be confined, as far as possible, to aiding tenant farmers and sharecroppers to acquire homes on land that is now in cultivation. It is not the object of this program to bring new land into cultivation, but to try to aid those who need help, to make a better living, on the land already under the plow. Special effort will be made by the corporation to avoid as far as possible

the expansion of production for the market of crops of which there is already a surplus.

As most of you farm folks know, there is a lot of farm land that is owned by banks, insurance companies, and what are called absentee landlords. Most of this land is worked by tenants, and many of these landlords and owners are anxious to dispose of this land because it is out of their line of business. In many instances it was acquired since boom times through foreclosure.

Now it is the purpose of the Farm Tenant Homes Corporation Bill to help the tenants and sharecroppers and farm laborers, already on such farms, to buy these farms if they want to and if the owners want to sell. Let's take an example to make the whole thing clearer.

Let's suppose that a bank at Florence, Alabama has, through an unpaid loan, secured title to 200 acres of rich Tennessee River bottom land. The bank wants to sell this land which has ⁵ good tenants on it, but the tenants are unable to make the initial down payments, so the tenants stay on, and the bank holds on, both hoping for a better day.

Under the terms of the Farm Tenant Homes Corporation Bill this situation could be handled in one of two ways. The Corporation could buy the land from the bank, and then resell it to the 5 tenants, if they proved eligible, or it could lend the tenants the money to buy it themselves under the supervision of the Corporation.

If one of the tenants had a little money he could start his annual payments the first year. Or if he was short of cash he could defer the annual payment until the second or even the third year if necessary. Or you might have a situation like this. You might have a tenant living on a farm with the landlord. The landlord, we'll say, is getting old and wants to sell the tenant half of the farm. The tenant wants to buy, but he doesn't have enough cash to make the down payment, so

the situation drags along.

In a case like that, if the tenant proved worthy of a loan the Farm Tenant Homes Corporation could work out the connecting link that would enable the farmer to sell, and the tenant to buy. Such a deal would not increase the amount of land in cultivation. It would not necessarily increase the amount of cash crops for the open market, but it would give the tenant a home of his own.

Similar arrangements could be worked out for sharecroppers and good farm laborers as well as for tenants. And the program is so flexible that it can be made to meet most any sort of worthy need.

The things that makes this measure so worthwhile is the fact that it does not plan to tear up, and disturb, and move tenants from one part of the country to another. This program is not designed to bring hundreds of tenants together in communities where they will farm under close supervision. That is another program.

This Farm Tenant Homes program is a program to help the tenant and the sharecropper and the worthy farm laborer to contract for the farm he is on if he wants it, and if it is for sale, but of course a tenant will not be confined, in buying a farm home, to the particular farm on which he is working. It is designed for the man who wants to farm for a living and for whatever profit there may be in the various farm operations. In short, it is designed for the man who wants to buy his own land and farm for the future.

Thousands of tenants are willing to start on the road to home ownership tomorrow if some reliable agency would help them finance the farm they want and help them get started in the right way. That is what the Farm Tenant Homes Corporation Bill proposes to do.

Bear in mind that this program does not create a burden upon the tax payers of the country. It merely provides credit facilities by the government on which

little if any loss will accrue. If a purchaser fails to make good and to meet his payments, other good and worthy tenants will be ready to take the farm home and pay the mortgage under the easy long term payment plan.

The social and economic values in converting a large number of farm workers into farm home owners cannot be measured in money. The program should appeal to the judgment and the hearts of all good men and women.

And now in conclusion let me say that if you are a tenant and want the Government to help you buy and finance your own home, or if you are a landowner and want to sell some of your good farm land under this new program, or if you are interested in seeing that tenants have a better opportunity to buy and own their own homes and become land-owning farmers with a future; in short, if you are interested in any of these things, write to your Senators and your Representatives in Washington and ask them to support the Farm Tenant Homes Corporation Bill. Do this now so you won't forget it, and help us make this country into a land of proud home-owning farmers.

Thank you, and good-bye.

March 9, 1942

Senator John Bankhead
Washington, D. C.

Dear Senator Bankhead:

were?
I have noted your loyal struggle in Congress to try to secure the farmer in a position or to secure for him a position where he might hope to get somewhere near parity with industry. I feel sure there are some fundamental reforms that must be achieved before the problem can be at all satisfactorily solved. I recall that you gave much attention to these but was unsuccessful in securing the adoption of your laudable legislation. I have given much thought to this matter and shall hope I may have your permission to write you of it later.

I and many others have been alarmed at the amount of time Congress is having to spend with interests from every department of our national economy who are bent on getting some special advantage or protection for their group.

I have talked with many just ordinary citizens and have done much listening and thinking. I, and I believe I am joined by the great majority of American citizens, have come to the conclusion that the present peril to the welfare of our nation and our American way of life makes it obligatory that we all arise to the full stature of true patriots and "pledge our lives, our fortunes and our sacred honor.

I have drafted a proposal that I believe would be heartily endorsed by true Americans from every walk of life which I am sending you herewith. I believe that an enactment based on the general principles set forth would do more to create of us a united people than all the special advantages that every group is clamoring for and if we could be sincerely united I believe we would upset every prediction of the time required to win the war.

As you know I was reared and tutored by a great and sincere democrat and you will understand the safeguards provided in the proposal against any extension of the limitations on full individual freedom after the termination of the emergency.

Sincerely yours,

March 9, 1942

Hon. George Grant
House of Representatives
Washington, D. C.

Dear Congressman Grant:

Your reply to my letter of recent date arrived yesterday and I am glad to have your direct statements in refutation of some of Mr. Walters' criticisms. I shall be pleased to quote them wherever needed.

I have now prepared the matter I referred to in my letter that I wished to offer for your consideration and herewith enclose a draft thereof.

It is a proposal evolved from my thoughts and my listening to the expressions of others on their convictions, criticisms, dissatisfactions, etc., which may be best summed up in the single conviction that the present peril to the welfare of our nation and our American way of life makes it obligatory that all of us who are truly patriotic pledge "our lives, our fortunes and our sacred honor".

As you know I was reared and tutored by a great and sincere democrat, who devoted his life to working for the fullest application of the democratic principles that gave birth to our nation. He saw that repeated endorsement of those principles did not alone furnish adequate sustenance to insure their life. He knew that they would be forgotten and perish from the memory of man unless they were effectively applied.

Not alone did I have the advantage of my father's wise tutelage and his splendid example, but of his judicious chastening as well. In the early years of my majority while impressed with the idealism of the philosophical anarchists my father called to my attention that the polls were open and a democratic election in progress. I replied that I was not going to vote, that anti-social forces were so strongly entrenched democratic action was futile. Sadly he turned from me saying: "I never thought I should see the day a son of mine would be so blinded as to fail to appreciate and exercise the democratic privileges which had been gained and secured for him at such great cost." He was never so sorrowed again.

I give this brief personal background to lend conviction to my sincerity of purpose in preparing the enclosed proposal and to justify the proposed strong safeguards against any extension of the limitations on full individual freedom after the termination of the emergency.

Sincerely yours,

March 9, 1942

Senator Hester Hill
Washington, D. C.

Dear Senator Hill:

Thank you for your letter of March 5 and for your promise of attention to the material I sent you.

I am thus availing myself so quickly of your invitation to give you my views on current affairs because I believe I have prepared a proposal that you might find worthy of consideration as a means of forwarding the interests of our beloved nation.

The enclosed proposal was evolved from my thoughts and my listening to the expressions of others on their convictions, criticisms dissatisfactions, etc., which may be best summed up in the single conviction that the present peril to the welfare of our nation and our American way of life makes it obligatory that all of us who are truly patriotic pledge "our lives, our fortunes and our sacred honor".

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Sincerely yours,

March 9, 1942

Mr. Herbert Gaston
Assistant Secretary of the Treasury
Washington, D. C.

Dear Mr. Gaston:

Long ago I should have written to you to express my appreciation of the cordial reception you extended me and Mrs. Gaston when we called at your office in Washington but I felt you were so full occupied with necessary duties that you would welcome the omission of anything that would occasion an interruption.

Now, however, my concern for the welfare of our nation in this hour of peril and my belief that I have a practical plan, impels me to write and present it to you for your consideration.

I have noted that finance legislation proposed by Mr. Morgenthau has encountered Congressional opposition, not because of question of the need of revenue, but because of the eternal problem of all revenue bills which appears to me to be, how can the bill be so devised to reward friends and punish enemies?

The proposal I am presenting is for an all-out effort to wage an all-out war and I feel you will agree with me that anything less is not enough. The idea came to me through hearing like sentiments expressed by conservatively minded workers and business men. They and I appear convinced that our peril makes it obligatory that all of us who are true patriots pledge "our lives, our fortunes and our sacred honor".

I am sure you are aware of the unrest and dissatisfaction of many throughout our nation. You, in Washington from President Roosevelt down have been vexed with the actions of the various groups seeking to gain or to protect an advantage. You know too that there are certain groups who are unavoidably suffering because of the essential war effort and I am pleased that the Treasury Department is trying to protect these against a general sales tax which they would have to bear equally with those well able to bear it. I believe my plan, if adopted would have a salutary effect on arousing a truly patriotic spirit and would go far toward eliminating the vexatious envies and suspicions.

Without further comment may I ask that you give the proposal your earnest consideration and if it is found to merit comment either critical or commendatory I will appreciate hearing from you and if it does not please do not take your valuable time to reply now.

Sincerely yours,

WHEREAS the present primary purpose and necessity of the United States is to defeat the Axis Nations and,

WHEREAS it is in the highest interest of the common welfare that this be accomplished in the shortest possible duration of time and,

WHEREAS this high purpose can be best served if the productive effort of everyone is wholly utilized to that end,

THEREFORE we petition the Congress of the United States of America to provide that during the existence of the present emergency the services of all persons and property be drafted and used for our common National need; but by such means as will result in a minimum of interference with private ownership and supervision and free enterprise and to this end it is proposed:

(1) That the personal and corporate income tax rate be increased to one hundred per cent, after first so revising personal exemptions as to assure as high a standard of living as is consistent with our common national necessity, and after first so revising the exemption schedule, other than personal, as to plug as practically as possible all loopholes that might result in tax evasion, and to this end establishing definite conservative schedules for depreciation of physical properties and mechanical installations; and after first specifically limiting gift exemptions to such gifts as are made to publicly owned corporations and institutions, and to established non-profit educational, religious, and charitable institutions or organizations of generally recognized merit to be used by them for the normal pursuit of their activities and in no case to be used to acquire income producing property.

(2) That the Federal Housing Administration, the Farm Security Administration and the Reconstruction Finance Corporation be charged with the obligation to institute services that will be available to all persons and corporations, who, because of such one hundred per cent tax rate, are endangered of property loss due to inability to meet the payment requirements of existing property investment or purchase contracts; and with the obligation to institute services adequate to provide for the financing of new homes or home additions, new farms or farm additions and new plants or plant additions wherever and whenever such are deemed necessary for the accomplishment of this purpose.

(3) That the National Youth Administration be directed to institute services available to parents and guardians, who, because of the one hundred per cent tax are unable to carry out intended educational programs for their youth.

(4) That the standard of living intended to be provided for in the establishment of personal exemptions be safeguarded by directing the Office of Price Administration to fix such price ceilings as may be necessary to that end; and that the wages of labor shall be fixed at such minimum and maximum levels as will insure adequate standards of living for labor and make tenable the price ceilings.

(5) That individuals, firms and corporations be protected against losses which might result from increased commodity and raw material costs by directing that the Office of Price Administration be directed to place ceilings on all commodities and raw materials essential to this purpose.

(6) That the Interstate Commerce Commission be directed to so adjust and regulate transportation rates and charges to make tenable the costs and prices heretofore provided for.

(7) That moratoria be declared on all life insurance, security investment savings, educational savings, burial insurance and other related types of contracts if investor interest in such contracts is endangered by reason of the levy of the one hundred per cent tax and if such moratoria shall endanger the life of the corporations involved that the Reconstruction Finance Corporation be directed to extend such assistance as may be necessary after the corporation has effected all reasonable economies.

(8) That the Departments of Labor, Agriculture, Commerce and the Interior be directed to secure a registration of all labor, productive property and resources of the nation and its territories and dependencies and to classify all as to location and productive capacity.

(9) That the War Powers of the Executive Department of the Federal Government be extended and expanded to provide for the drafting of all persons engaged in gainful occupations or who are available and physically qualified to engage in such occupations and to so direct and distribute them as may be necessary to maintain needed production at its highest efficiency, due consideration being given to reasonable geographical limitations and to personal qualifications; and to provide both by contract and the right of eminent domain for the utilization of all productive property and resources and housing facilities; but in no case shall the powers herein conferred be construed to justify usurpation of the powers and prerogatives of existing owners or managers except where such owners or managers shall refuse or fail to carry out the production orders given; in which case the property may be seized, subject to the payment of a fair rental.

(10) That all labor union activities and employer requirements be limited to such as will cause no interference with the fullest employment of all labor and the continuous, uninterrupted and unretarded progress of every productive activity essential to this purpose and the common welfare.

(11) That all acts or orders pertaining to the accomplishment of this purpose be positively limited to the duration of the war emergency as determined by Congress; but if Congress shall fail to act to accomplish their annulment, then they shall cease to be of any force and effect and all obligations thereunder shall be automatically terminated one year after the termination of a state of war against the Axis Powers of Germany, Italy and Japan or such other nations or powers as may become allied with them in their cause.

CARTER GLASS, VA., CHAIRMAN

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C. WAYLAND BROOKS, ILL.

United States Senate

COMMITTEE ON APPROPRIATIONS

March 19, 1942

EVERARD H. SMITH, CLERK
JOHN W. R. SMITH, ASST. CLERK

Mr. C. A. Gaston
The Fairhope Courier
Fairhope, Alabama

Dear Mr. Gaston:

I have your letter of the ninth, enclosing a draft of a proposal which you believe would be helpful if put into operation. I have read with interest your letter and the proposal, and am glad to have your suggestions. I think it is helpful to receive remarks of this kind and want to assure you that I will give the matter serious consideration. We have many serious problems to deal with in the present emergency and I am always glad to have the views of my thoughtful constituents.

Sincerely yours,



JHB:ib

CARTER GLASS, VA., CHAIRMAN

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RAYMOND E. WILLIS, IND.
HOMER FERGUSON, MICH.
KENNETH S. WHERRY, NEBR.

United States Senate

COMMITTEE ON APPROPRIATIONS

May 14, 1946

EVERARD H. SMITH, CLERK
JOHN W. R. SMITH, ASST. CLERK

Mr. A. A. Gaston
Fairhope, Alabama

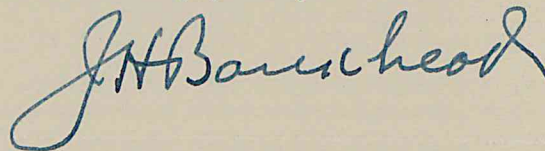
Dear Mr. Gaston:

I am in receipt of petition signed by you and other residents of Fairhope, urging me to support the OPA.

I have been a consistent supporter of the OPA and have voted for every appropriation that Mr. Bowles has asked for its enforcement. I believe that some constructive amendments should be made. I am a strong believer in holding down the price of food, clothing and rents.

Please make my views on this important subject known to those who signed the petition with you.

Sincerely yours,



JHB:W

May 15, 1946

Hon. John H. Bankhead
Senate Office Bldg.
Washington, D. C.

Dear Senator Bankhead:

We are advised that the engineers in charge of the proposed dredging incidental to the expansion of the Alabama State Docks and Mobile harbor facilities, propose to dispose of the dredged material in Spanish River in Baldwin County.

We are of the opinion such disposal may be highly detrimental to the hunting and fishing grounds of that section and that there is a possibility of damage to our recreational facilities here at Fairhope. We also believe this matter should receive careful consideration from the standpoint of public health. It may be that the transference of contaminated dredgings from Mobile River to Spanish River will result in making our beaches unsafe as was the case with reference to some of the beaches on the Western Shore of the Bay last year, such beaches being declared out of bounds for personnel at Brookley Field.

As you know, we are the owners of highly developed land in this section and aside from feeling fully justified in protecting the value of our land, we have an obligation to our lessees to give them all protection possible.

Trusting this matter will have your immediate attention and assuring you of our sincere appreciation for past favors,
I am,

Appreciatively yours,

Secretary

CARTER GLASS, VA., CHAIRMAN

KENNETH MCKELLAR, TENN.
CARL HAYDEN, ARIZ.
ELMER THOMAS, OKLA.
MILLARD E. TYDINGS, MD.
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KENNETH S. WHERRY, NEBR.
GUY CORDON, OREG.

United States Senate

COMMITTEE ON APPROPRIATIONS

May 18, 1946

EVERARD H. SMITH, CLERK
JOHN W. R. SMITH, ASST. CLERK

Mr. C. A. Gaston, Secretary
Fairhope Single Tax Corporation
Fairhope, Alabama

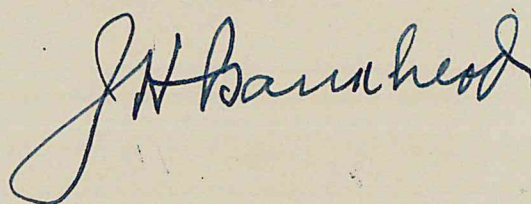
Dear Mr. Gaston:

I have your letter of the fifteenth concerning the proposal to dump refuse in the Spanish River on the east side of Mobile Bay.

I have entered a vigorous protest with the Chief of Engineers and urged that no such action be taken.

I do not understand the post script to your letter because you do not state your position. I am actively supporting legislation providing an adequate housing program. And I voted in the Senate Banking and Currency Committee this week to extend the price control for another year.

Sincerely yours,



JHB:ib

Feb. 28, 1939.

Hon. Frank V. Barchard
Poley, Alabama,

Dear Rep. Barchard:-

I enclose my reply to your questionnaire and wish to thank you for the opportunity you have given the voters and citizens to express themselves on this vital question.

While I feel that your list of questions cover too much detail for the ordinary citizen not himself concerned with the duties and obligations of an office holder I realize that it is you and not I asking the questions and seeking the information and that you gave much consideration to the questions before putting them to the people.

The Courier was glad to give the questions free space and will be glad to further cooperate with you in the future in securing a free expression of your constituents on any vital matter. I am responsible for the front page write-up and I am enclosing a clipping of it to more fully answer the questions.

In reference to the last paragraph of the above mentioned article I believe that the county and municipal manager plan has very much merit and should be available to towns or countys desiring to try it. I also believe that towns and countys should not be so rigidly restricted in the matter of taxation. I feel that Fairhope's success is largely due to the extent to which land values have been made to bear the burden of public revenue and that if it was possible under the law to extend this principles to all the lands of the community instead of confining it to the lands of our Corporation correspondingly greater results would be achieved.

I hope you will support the administration bill to equalize assessed valuations. My personal observations of the assessment rolls testifies to the correctness of Governor Dixon's statements.

Feb. 11, 1939

Hon. Frank L. Barchard,
House of Representatives,
Montgomery, Ala.,

Dear Rep. Barchard:-

I am informed that there is a bill "now pending in the House that will mean the death of Chiropractic in this state if it passes."

I feel reasonably sure that you do not want this to happen and I know that a great many of your constituents will feel that they are being deprived of a valuable and essential service should the Legislature of their state pass a bill denying the purveyors of this service a right to practice their branch of the healing profession in the state of Alabama.

At the same time I am informed that the Chiropractors of this state will present a bill which will provide for the establishment of a Chiropractic Board to govern the practice of Chiropractic much as the Medical Board governs and regulates the practice of Medicine. I urge that you give careful consideration to these bills and if you cannot oppose the passage of the former or support the passage of the latter I will very much appreciate it if you will communicate to me your objections.

I have not had the opportunity to study either of the bills but it appears to me that the bill hindering or preventing the practice of Chiropractic should be defeated on general democratic principles. Likewise it appears to me that on the same principles a bill providing control of the practice by members of the profession should be adopted. It may be that the bill as presented will need amending but this should be possible without destroying the effectiveness of the bill.

Please be assured that I will be grateful for your attention to these matters and also that I would not call on you except I feel that they are important. With every hope that you may get much satisfaction from your service in the Legislature and my appreciation of the sacrifice I am sure it entails I am,

Sincerely yours,

Copy of letter to Hon. Frank L. Barchard, U.S. House of Representatives, Feb. 11, 1939

Feb. 10, 1939.

Hon. Frank V. Barchard,
Representative Baldwin Co.,
House of Representatives,
Montgomery, Ala.,

Dear Sir:-

I have been listening to the comments on the announcement made in last week's Onlooker of your intention to introduce a bill providing for a reversion in Baldwin County to the Board of Revenue form of government with the Probate Judge as ex-officio chairman.

So far all the comments I have heard have been against making any change. The opinion of those commenting appears to be that members of a Board who have been elected from a district by only the voters of that district will be prone to view the district as the unit rather than the county. I believe that the good results we have derived from our county government in the past years is largely the result of the responsibility of each commissioner to the electorate of the entire county.

While the comments I have had the opportunity to hear have been by Fairhope voters I recall that a majority of these voted for you in the primary which resulted in your election as our Representative. I am sure that you have felt that a majority of the voters favor your proposed bill but I have found that one can be mistaken in his judgment of what the majority do want and this is demonstrated at nearly every election.

I and the officers of this Corporation request that you so frame your bill as to provide for its being voted on by the voters of Baldwin County. I have noted what you wrote to Mr. Ruge stating it was not customary so to do with local bills but I believe you would be commended by all truly democratic citizens should you introduce this fundamental democratic principle into the realm of local legislation. With every good wish I am,

Very truly yours,

Dec. 24, 1943

Mr. Wm. J. Bartlett
Box 123
Gamboa, Canal Zone

Dear Mr. Bartlett:

I was interested to get your letter indicating that you may consider Fairhope as a location for your home after retirement. I worked on the Canal Zone for several years 1912 to 1916, but you were an old timer when I got there. I lived at Gorgona and at Balboa, working in the machine shop, foundry, blacksmith shop, round house, etc.

Our corporation still has suitable building lots in the corporate limits of the Town of Fairhope, but our country lands are all leased at the present. However there is an active trade in improved properties and in normal times prices are reasonable. At the present the greatly increased shipbuilding and other war time activities in Mobile causes a very active competition for property here and improved properties of all sorts are selling above normal value.

These conditions have also put a considerable strain on our supply of apartments and cottages which normally rented for from \$20.00 to \$40.00 per month. Prices on these too have been high but the first of this month Rent Control went into effect here, requiring that rents be "rolled back" to the level of March 1, 1942. It is too early to tell just what the effect will be. There are quite a number coming and going in these times so though we are filled up all the time opportunities are available from time to time to rent satisfactory accommodations and I believe you would be attractive to a landlord.

I am enclosing literature concerning our plan and under separate cover am sending you printed material. It is impossible to say now what the conditions will be in April so I suggest you write again later. With the hope that you are enjoying a pleasant Christmas and that you may have a very satisfactory New Year, I am,

Very truly yours,

Secretary.



Gambon, C. Z.
December 10-43

Fairhope Single Tax Corp.,
Fairhope, Alabama.

Gentlemen—

After 35 years service on the Panama Canal, I am looking for a good location in the United States to make my home.

Fairhope has been suggested to me and I am therefore asking you to give me full information about the single tax plan and living conditions in general—such as property & income taxes etc—

What are the average rentals of furnished apartments or houses in the summer, starting about April 1st with two bedrooms, or hotel rates for two rooms with connecting bath, by the month.

It is my intention to buy a

(2)
small home when I find a
favorable location at a price
of not over \$5,000.⁰⁰

Thanking you for your kind
attention I am,

Very truly yours.

W. J. Bartlett,

Box 123,

Yamboa, Canal Zone.

Sambo, C. L.

March 28-44

Mr. C. A. Gaston, Secy.,
Fairhope Single Tax Corp.,
Fairhope, Alabama.

Dear Mr. Gaston,

Just a line to thank you for your letter of last December and to let you know that I am still interested in Fairhope but have decided to go to St. Petersburg, Florida for the present.

A Mr. & Mrs. Winberg who come from Fairhope & are now living here, have just about sold me on Fairhope and before I settle down I will come to Fairhope and see the place for myself and will give you a personal call at that time.

Thanking you again for your kind attention, I am

Very truly yours
W. J. Bartlett

December 24, 1940

Mr. Clayton C. Bauer,
R F D #2,
Spencerport, N. Y.,

Dear Mr. Bauer:

We are pleased to receive your enquiry and to learn that you are a singletaxer considering moving south.

I regret that I am not competent to advise you as to your proposed venture. It would appear to me that it would be quite difficult to make a living on the small area you contemplate.

We have, located here at Fairhope the Gulf Coast Substation conducted by the Extension service of the Alabama Polytechnic Institute Auburn for the State Department of Agriculture and I would suggest that you write the superintendent Mr. Otto Brown before going too far with your plans.

I hope it will be possible for you to come here to look the situation over. We would be very happy to have you locate at Fairhope and I am sure we have advantages that cannot be found elsewhere. Our country lands rent for from \$2.75 per acre annually to 85¢. While all our lands in the agricultural section best suited to your plans are under lease it is entirely possible that you could purchase improvements from a leaseholder and secure transfer of the lease to you. It is also possible that you might be able to locate on low value Town lands where the rent per acre without street frontage is \$3.00 per annum.

Under separate cover I am sending some printed material and a copy of the Fairhope Courier. I shall be glad to hear further from you and to supply such additional information as I can.

Very truly yours,

Secretary.

R F D # 2

Spencerport, N.Y.

December 12, 1940

The Secretary
The Fairhope Single Tax Corporation
Fairhope, Alabama

Sir,

I am a Single Taxer. I want to move into a warmer clime to live and work and make my home. I wonder if your community might not have more to offer than others in the South. Would you care to tell what your corporation and your community has to offer to a new settler? I should like to know if I can secure the use of from three to ten acres, what the rent of this land would be, what other taxes there were, and in general what opportunities are afforded. My intention is to farm intensively.

Yours truly,

Clayton C. Bauer
Clayton C. Bauer

May 5, 1938.

Mr. Fred V. Baxter,
West Asheville, N. C.,

Dear Sir:

I regret that we have no circulars containing maps of the Town of Fairhope.

I am enclosing a plat of the Single Tax Corporation's lands shown as unlettered blocks and tracts. The blocks and tracts lettered A, B, C, etc. are privately owned lands and are not under our jurisdiction.

This plat shows only about one-half the lands within the town. To the south is a considerable subdivision known as Magnolia Beach. In this tract we own some land but the greater part is privately owned. To the north are several large tracts and a smaller subdivision known as Airey Heights.

If there are any particular properties in which you are interested and which you cannot locate here I invite you to write to me and I will be glad to give you whatever information I can.

Very truly yours,

Secretary.



THIS SIDE OF CARD IS FOR ADDRESS

Office of Single Tax Colony
Haverhope
Ala.

West Asheville

Box 604 N.C.

Dear Sirs.

Would you have a
Circular showing
map of Fairhope?

So I might be able
to locate places
that are advertised
in The Mobile paper.

We hope to join
your colony.

Very Resp.

Wm. V. Bayter

BAXTER
INTERNATIONAL ECONOMIC RESEARCH BUREAU

A WORLD ECONOMIC SERVICE THAT ANTICIPATES PRICE TRENDS AND BUSINESS MOVEMENTS



76 WILLIAM STREET 5, NEW YORK

March 8, 1948

Mr. C. A. Gaston
Fairhope Single Tax Administration
Fairhope, Alabama

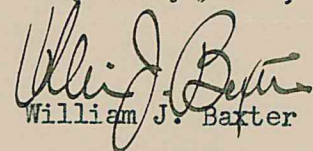
Dear Mr. Gaston:

I want to thank you for your kind letter of the 26th regarding our Autumn bulletin. I have read with much interest the circular you sent and the newspaper clipping regarding your community. The experiment is most interesting, indeed, but I do hope that for the immediate future you and your associates pursue your experiment on a most conservative basis. I believe you are on the right track and that during this coming depression many people will want to flee from the cities and get into some community such as yours. Many such communities have gone on the rocks because during certain critical periods the managers were not conservative in their financial policies.

I hope that you continue to manage your community on the most conservative possible basis as we face very difficult times in the period immediately ahead of us.

Again thank you for your kindness in writing me.

Very truly yours,


William J. Baxter

Dec. 4, 1948

PAGE TWO

THE FAIRHOPE COURIER

ESTABLISHED 1894

BY ERNEST B. GASTON

ERNEST B. GASTON ESTATE, — — — — —	Publishers
FRANCES GASTON CRAWFORD, — — — — —	Editor
C. A. GASTON, — — — — —	Associate Editorial Writer
ARTHUR F. GASTON, — — — — —	Business Manager

ENTERED AS SECOND CLASS MATTER

PUBLISHED EVERY THURSDAY AT FAIRHOPE, ALABAMA

Subscription Price Within The United States — — — — —	\$2.00
To Foreign Countries — — — — —	\$2.50

ADVERTISING RATES ON APPLICATION

"Inevitable As Death And Taxes"

The above note is from a letter from a prominent New York business adviser who operates an economic research bureau. The full quote is as follows: "There is one certainty about the American system: Economic cycles are as inevitable as death and taxes"

What is there about the American system that insures a depression periodically and particularly after every war? Our answer is that the direct benefits of government service, in large part, go to monopoly holders of land titles, franchises and patents and the government's bill for the performance of such services is, in large part, collected from the masses who must work for and buy from the monopoly holders

Only the relatively small amount that is collected from land owners on the assessed values of the land and the fees and other payments to government by patent and franchise holders, plus income taxes on income resulting from possession of the monopoly is paid by the direct beneficiaries. The balance which constitutes the great bulk of public revenue is collected from producers and consumers in the form of taxes. All such taxes diminish purchasing power and sooner or later result in there being more goods on the market than the consumers can buy.

This, coupled with the fact that

our American system of supplying money and credit in volume that bears no relationship to the amount of goods and services available in the market for purchase, creates a continuously unstable economic system. It is this factor that plays a large part in insuring a depression after every war. During the last war our government paid out great sums of money in high wages and profits to produce goods that never became available for purchase by the consumer public that received the wages and profits.

The excess of purchasing power must be diluted by inflation that reduces the purchasing power of a large segment of the people on fixed income or income that cannot be forced up enough to meet inflated prices. The result is a considerable shortening of the time needed to pass from a scarcity market to an over supplied market. This condition would have been somewhat relieved had the government adopted the Courier plan proposed in March 1942 of levying income taxes at sufficient levels to reduce purchasing power to the volume of goods available for purchase.

C. A. G.

Be Kind To Animals

There are many forms of cruelty imposed upon our animal friends. Lack of feed and shelter for farm animals causes horrible suffering, besides economic loss. Tying dogs these cold nights without even a wind break is thoughtless and heartless.



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THE FAIRHOPE COURIER IS:
 A weekly record of the effort at Fairhope to apply correct principles of human association NOW for the benefit of its people and an example to all others. Believes in Fairhope, and in Baldwin County, as the "Land of Opportunity" for thousands to come.

Weekly \$2.00 per year

60 WORKERS NEEDED AT MO- BILE SHIPYARDS

H. R. Chamberlain, manager of the Employment Bureau of Baldwin County, informs the Courier that he has received a call for 60 workers for the Mobile Shipyards and anyone interested can get in touch with him for further particulars.

They need men trained in the following: Outside boiler maker, outside machinists, arc welders and burners.

Fairhope Little Theatre To Present Rebecca

Is Manderly haunted?

Does the ghost of the beautiful Rebecca, Maxim de Winter's first wife, sometimes wander through the halls of Maxim's ancestral home?

Mrs. Danvers says that she does.

But only Maxim knows the terrible secret of his strange moods, or why he turns savagely on his young and lovely wife at some of her most innocent remarks.

The play "Rebecca" is a dramatic and compelling story of several people under a spell cast by a woman dead for over a year.

Maxim de Winter brings his bride home to a house made chillingly unfriendly by Mrs. Danvers' implacable hatred, and in the grip of his own tragic situation, leaves her to face the other per-

New Business Opens In Fairhope

Mr. and Mrs. J. H. Manery have moved to Fairhope where they will make their home on Fairhope Ave. Mr. Manery brings to Fairhope a novel rental service in which he maintains a full supply of power and hand tools ranging from a screw to a step ladder and a sewing machine to a metal back-gear-ed, screw-cutting lathe. Presently these tools can be taken home. However, Mr. Manery is considering setting up a shop where they can be used on his premises.

Garage Fire Monday Threatens Residence

The Fairhope Volunteer department responded to a fire at 8 P. M., Monday evening readily extinguished a fire in the garage of some rental property belonging to Carl L. Bloxham, real estate agent. On arrival firemen found the garage in a serious condition and the dwelling just starting to burn in fire. The loss was adequately covered by insurance.

Knights and Knighties To Meet

The Knights and Knighties will hold a meeting at the Legion Club Thursday night, December the 4th, at 8 P. M.

FAIRHOPE THEATRE

Feb. 26, 1948

Mr. William J. Baxter
76 William Street
New York 5, N. Y.

Dear Sir:

I found your Bureau's Autumn letter most interesting. No doubt all who heeded your admonition that "Economic cycles are as inevitable as death and taxes" are saving "thousands of dollars" as you suggested they might.

While you properly consider the admonition to be of vital importance to the business world, I am sure you must also be aware of its importance to the social and political world. Presuming upon this assumption I thought you would be interested in my presentation to that field and send you the enclosed.

Very truly yours,

Secretary

BAXTER INTERNATIONAL ECONOMIC RESEARCH BUREAU

A WORLD ECONOMIC SERVICE THAT ANTICIPATES PRICE TRENDS AND BUSINESS MOVEMENTS



76 WILLIAM STREET, NEW YORK 5, N. Y.

Autumn 1947

YOU CAN READ THIS LETTER IN FIVE MINUTES — IT MAY SAVE YOU THOUSANDS OF DOLLARS

Do you think that the high cost of living is bound to continue? Do you believe that prices will continue to skyrocket — that the bull market in commodities will prolong itself indefinitely?

IF SO, YOU'RE IN FOR THE SURPRISE OF YOUR LIFE!

What's more, if you're operating your business and your investments on that theory, you may find yourself "broke" — and much sooner than you think!

Right now, this may seem like so much "scare talk" to you. But just glance back to 1929, when everyone was lulled into a false sense of security by the soaring market and high commodity prices. If you had been told in August or September of that fateful year that the "bottom would drop out," you undoubtedly would have shrugged your shoulders. Yet a month later we had a crash that was heard around the world.

In the economic world, too, history has a way of repeating itself. There is one certainty about the American system: Economic cycles are as inevitable as death and taxes.

Linked up with that is another indisputable fact: Never in our history have we had a post-war period in which prices did not collapse. Wars invariably bring boom times — which in turn give way to depression. Moreover, the impact of the crash is as great or greater than the bull market: The greater the boom, the worse the crash. And right now that spells out what may well be the worst economic collapse in our history — not even excepting the 1929 crash.

Today the high cost of living and skyrocketing prices have become front page news. So you ought to remember that there is a saying among shrewd investors and businessmen: "When it gets on the front pages it's time to sell!"

William J. Baxter, well-known authority in the field of economics, and head of this Bureau, has just issued a special report to our clients, stating that "the American public is once again being misled and commodity prices in almost everything are now headed for the usual postwar nosedive."

Through the regular weekly bulletins and surveys which clients receive, they are aware of the facts behind the frothy rise in many commodities and the forces that will make them collapse. A bear market has already developed in jewelry, furs, liquors and a host of other luxury items. Over-production in canned goods, frozen foods, nylons, tires, and radios are already forcing prices down. Securities — the secondary ones particularly — are lower than a year ago. A bear market in securities is going on in London, Bombay, Canada, and Mexico City. Moreover, Federal court records show that in the fiscal year ending June 30th, 1947 bankruptcies have risen by 29%!

(Over, Please . . .)

Facts and figures like these can only point to one conclusion. And because it is an unpleasant and unwanted conclusion, we are too prone to disregard it. American people are essentially optimists; they keep "hoping against hope" that the inevitable will not happen. All of us have a tendency to postpone the day of reckoning to suit our own plans. Most people believe we will have a depression within five years; some think it may be sooner. In the meantime, they sit back and do nothing.

Last year, at just about this time, there was a sudden slump in the stock market. Almost everyone was taken by surprise — but not the clients of this Bureau. In July of 1946 — several months before the break — Mr. Baxter issued a bulletin warning about the vulnerable state of the market. Even then, we were swamped with letters from skeptical clients who asked for special advice on their own problems. (Clients of this Bureau are privileged to write in at any time for advice — without extra charge.) They were advised to unload their securities. As a result, they saved themselves a great deal of money. In the enclosed circular you will read just a few of the grateful letters we have in the files.

How This Service Helps You

Our clients were able to save thousands of dollars. Many of them are frank to admit they would never have sold except for Mr. Baxter's advice. But going contrary to the crowd is nothing new with Mr. Baxter. And it is a matter of record that he has called the turn on every major economic swing in the past 24 years!

Small wonder that our list of clients reads like a "Who's Who" of American business! Small wonder, too, that "little investors" are among our most enthusiastic subscribers.

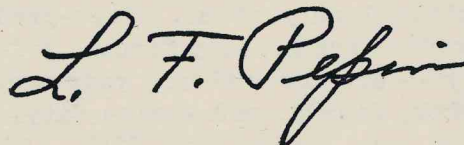
Here is how the service works: Every week you receive a bulletin — a sharply-focussed picture of what is going on and what lies ahead. These are written clearly, simply — with no "double talk." The weekly bulletins include special reports on important developments in industry, finance, markets, etc. — exhaustive surveys that are produced after long and arduous research. They are exclusive with this Bureau and cannot be had elsewhere.

SPECIAL INTRODUCTORY OFFER

Moreover, you get full mail consultation privileges. That means you can write to Mr. Baxter personally and get advice on your own particular problems. And since Mr. Baxter believes that important events are imminent, this privilege is indeed a valuable one. Just one piece of advice you receive may save you many many times the cost of your subscription. When you consider that, the subscription fee of \$45 for a special introductory offer for the next six months is a truly worthwhile investment.

Filling out and mailing the subscription form will entitle you to this Confidential Service with all its privileges — including full mail consultation service at no extra cost. It will give you the comfortable feeling that goes with the knowledge that you are protecting yourself and your family from the onrushes of the coming decline. Send in the order form today, while it is on your mind.

Sincerely yours,



P.S. New subscribers will receive, free, the valuable bulletins and exhaustive surveys listed in the enclosed circular.



THIS SIDE OF CARD IS FOR ADDRESS



To
Fairhope Single Tax Corporation
Fairhope, Alabama.

Dear Sirs;

We are studying
communism in our
Civics classes at North
Platte Senior High. In our
study, we like the views
of other people as well as
our books and classmates.
In getting these views we
felt that letters are the
best, so your corporation
was given to us as a
good place to write.
That is probably why you
received several letters.

It was very kind of
you to correct that add-
ress for me.

I would like to take
this opportunity to thank
you for answering
my letter as it was
very interesting.
Mildred Beatty
North Platte, Nebraska

Oct. 15, 1938.

Miss Mildred Beatty,
703 W. 3rd St.,
North Platte, Neb.,

Dear Miss Beatty:-

In reply to your letter of Oct. 10th, I regret that I am unable to advise of the locations of either the communistic or fascistic localities in this country, and in fact I did not know that there were any such colonies. Fascist and Communistic societies may, in some instances possess real property but I do not believe that there are any attempting to institute a working demonstration of their theories.

Fairhope is one of several communities in the U. S. where an attempt is being made to demonstrate in so far as existing law will permit, the efficacy of the Single Tax plan for securing public revenue through the collection of land rent in lieu of taxes on real and personal property and from business levies in the form of license taxes. The others are located at Arden, Delaware, Free Acres, New Jersey, Tahanto, Hartford, Conn., and, I believe several smaller ones in New England, information of which could be secured by addressing Hamilton Warren, Tahanto.

There are also some socialist colonies, but the only one I am sure of is The Llano Colony, Leesburgh, La. Fairhope is a highly individualistic community and its Single Tax policies tend to promote the highest degree of individual freedom and initiative through insuring to the individual the full product of his labor. I am sending you a brief statement of Fairhope's application of the plan and a simple statement of the philosophy.

Should desire further information I shall be glad to supply it.

Very truly yours,

Secretary.

P.S. I have had a number of enquiries from your city and am curious to know from whence they arise. I enclose a postcard for reply.

North Platte, Nebraska

October 10, 1938

Fair Hope Corporation
Fair Hope, Alabama.

Dear Sirs;

As the head department of one of the branches, I'm writing to you in regard to the districts that communism and fascism are in in United States.

I realize that you may not know the districts of fascisms but I do hope you can give me information regarding camps of communism.

In Livics, in special projects, we are making maps of the districts, so if you have a map regarding these things, or any information please send it to me as soon as possible, as our deadline is Friday.

I will appreciate any information you can send to me regarding these things. So

hoping to hear from you soon,
I am,

Mildred Beatly
703 West 3rd
North Platte,
Nebraska.

June 29, 1940.

Mr. L. D. Beckwith, Editor,
The Forum,
Stockton, Calif.,

Dear Editor Beckwith:

The articles and editorial observations on page 4026, THE FORUM, June 13, 1940, have led me to restudy our basis for fixing the charges our corporation makes for the use of its lands to determine if such charges do in fact contain elements that are not rent as defined in the above mentioned articles and observations.

Rent, as we have defined and applied it is, as I find it stated on page 167, 1931 Schalkenbach edition of Progress and Poverty, the value of monopoly, arising from the reduction to individual ownership of natural elements which human endeavor can neither produce nor increase.

Our location, as you know, is on the shore of Mobile Bay, giving us a limited number of lots that have a desirable view over the bay. These lots are readily rented because of this exclusive feature, though the public service available is considerably less than in other sections of the town and the cost of such service is disproportionate to the rent.

The premise taken by the founders of Fairhope was that land and its associated bounties of nature are the common heritage of man. Since all of the colonists could not be accommodated with bay front sites those securing them to their own exclusive use were and are required to pay such additional premium as the market for such sites establishes. There are at the same time sites within the town that have natural disadvantages and the cost of maintaining services to these may in some instances be greater than the rent they will command and yet it is in the general interest of the community to have such service available.

I have considered that it is true that every dollar economically expended by government produces a dollar of rent which amply justifies the conclusion that government need collect only the rent to insure the public of adequate service. As we know, however, the public as individuals, is never satisfied and the supplying of one service leads to the demand for others and if all the rent is collected a fund is ever available for the expansion of service.

I have considered that "all the rent" embraces every factor inherent in land either by reason of nature's endowment such as superior fertility or any other ^{natural} factor resulting in a larger yield to labor or such a thing as our bay view. In addition to these there is another value that I have recognized as rent. This value results from the general character

of the citizens that make up the community and is reflected in their sociability or their cooperation in social activities. A value which I term a rental value exists in a community containing music clubs, literary societies, recreational clubs and other such resulting from voluntary cooperation of residents.

These services produce a value that government has been at no expense to provide in the same way as do the service of theatres, markets etc. and figure in the so-called selling price of land and I have considered that all the factors that make up the selling price of land entering into the measure of rent at any given location. In the assessing of rent it is in practice here governed to a large extent by the same fundamental laws that govern the charges for services and commodities. In replying to an enquiring young lady studying for her Master's Degree at Cornell University I wrote:

"It is difficult to determine and to answer positively your question as to whether the full economic rent is being collected. There are several factors to consider: (1) The total collections from the community should be sufficient to pay the reasonable cost of government. (2) The levy should be high enough to make it unprofitable to put the site to any use other than its most productive development. (3) The levy should be low enough so that development will not be forced to first improve less desirable sites. Judging by these rules I should say that we are very nearly collecting the present economic rent. However I consider that the economic rent on our lands is considerably below what it would be if government generally should remove the unnatural restrictions placed on industry by regulatory and taxation measures. I believe that the beneficial results from an abatement of these would result in such an increase in economic rent that we could enter on a quite extensive program of public improvement on a 'pay as you go' basis."

That the selling price of property involving a site is not a proper guide to rent is brought to our attention by individual cases occurring here in both residential and business sections. I recall one of each during recent weeks where the purchaser, with full knowledge, paid more than the value of the improvements, cases of an anxious buyer and a not too-willing seller and did not all represent the market value of the properties. These are in the nature of what Mr. Otto refers to as "of the nature of a swindle."

Fairhope's continued growth compels us to give more and more attention to local affairs to the neglect of generalities and theoretical discussions. This is somewhat of a disadvantage in a narrowing of the perspective and the danger of expediency conflicting with fundamental theory. For these reasons I shall appreciate such criticism as you and the contributors to your papers may care to make. With much appreciation of your able service in our common field I am,

Sincerely yours,

Secretary.

The Physiology OF The Body Politic

A COMPLETE EDUCATION IN ECONOMICS
IN SIXTEEN PAGES

Copyrighted by L. D. Beckwith in the United States and Canada, 1932

FIVE CENTS

(Publisher's Quantity Rates: 25 copies, \$1.00; 100 copies, \$3.00.)

Published by NEWS DEALERS SERVICE CO., Stockton, California, U.S.A.

**We learn from the study of
scientific economics—**

THE PHILOSOPHY

1. That this is a universe of law in all its parts, not merely in some.

2. That those who believe in an omniscient and omnipotent Creator must, if they are to be consistent, believe that He knows quite as much about economics as about botany, physics or chemistry,—as much about the "physiology" of the body politic as about the physiology of the human body.

3. That those who believe the universe the creation of a good God who rules in loving kindness must, if consistent, believe that He has provided as well for the body politic as for our physical bodies and provided as wisely for the flow of revenue through our community treasury as for the flow of blood through our arteries.

4. That those who reject the idea of a personal God and hold to the theory of a slow evolution must remember that we are here speaking of the principles of economics, and that principles, whether those of mathematics, physics or of economics, must be thought of as complete and in full force and effect from

the beginning. The mind cannot conceive the evolution of a principle, although it is easy to believe in the evolution of one's understanding of a principle.

5. That Nature's principles are ever at hand waiting to be discovered and used, and always have been; and that civic, political and business systems set up in accordance with these principles will be absolutely consistent with each other and with respect to all details within themselves, so that no conflict of interests will arise to trouble us.

6. That our forefathers used candles and ox carts, not because there was then no provision in nature whereby they could have had electric lights and automobiles and airplanes, but because they had not discovered, mastered and applied the natural principles upon which these mechanical wonders are based.

7. That once we discovered and applied the principles involved, we not only made the dynamo, locomotive and airplane and made them work, but did that without waiting to first make men either good or better.

8. That if we had had to wait until we could first make men good before we could have such things, we would not have them yet.

THE SCIENCE

9. That we can now, in the same manner in which we developed airplanes, that is by mastering and applying the natural laws involved, set up civic, political and industrial machinery that will work,—and we can do it without waiting to first make men either good or better.

10. That, to the extent that there are in nature fixed and dependable principles of economics, the faults of human nature have no more to do with the solution of our economic problems than they do with the solution of a problem in mathematics or physics or chemistry and for those who believe in God it is gross irreverence to even doubt that He has provided natural laws of economics whereby our social affairs may be reduced to order now, with men just as they are,—and blasphemous to teach such infidelity.

11. That economics, the science of human relations, is as exact as the science of physics or mathematics or the science of chemistry; and civic, political or industrial machinery that is scientifically set up will operate as smoothly, efficiently and as automatically as the machinery in our shops, offices and kitchens,—meaning by this that the regulation of prices, rates and wages, would be as prompt, accurate and wholesome as the instinctive regulation of our pulse, and perspiration and as automatic as is our winking when fire flashes in our faces.

12. That economics is a very simple science and easily mastered, as there are but three economic elements to be identified and only their reactions to be comprehended; and that, as the subject is usually taught, it is made unnecessarily complicated by dragging in matter that is really nothing but statistics and has no more relation to the science of economics than the area of a forest or the capacity of a sawmill has to the science of architecture.

13. That these three economic elements just mentioned are wages interest and rent.

14. That these are really elemental and cannot be further divided; and any attempt to list different kinds of wages, interest or rent, as for example, to list wages of superintendence, is as unnecessary, as illogical and as confusing as it would be to list the wages of blondes and the wages of brunettes and pretend

that they are different in any economic sense.

THE SECRET

15. That the secret of success in statecraft, civic progress and in social organization is the identical secret upon which turns our success in the physical or chemical laboratories; namely, the mastery and application of scientific principles.

16. That we can find an effective starting point for the solution of civic, political and industrial problems in the familiar principles governing the business relations of John Doe, Richard Roe and their company, Doe & Roe, Incorporated.

17. That we proceed in this solution by applying these well-known principles to the business of Labor, of Capital and of Labor & Capital, Inc., the last being commonly called the public, or the community.

18. That just as John Doe and Richard Roe and the Doe & Roe Co. are expected to each finance its own needs without encroaching on the funds of either of the others, so should Labor and Capital and Labor & Capital, Inc. (the last being better known as the public), each finance itself without in any way encroaching on the funds of the others. (See Nos. 13, 14.)

19. That there are three separate and distinct funds, one of which belongs exclusively to each of these three parties to the social contract and that these three funds comprise the total of all economic values; so that wages, interest and rent are the only items of cost that can possibly enter into the cost of living.

20. That each of these three parties, Labor, Capital and the Public, has ample funds for its own needs and no excuse for drawing upon the funds of others and that the rent, the Public's fund, is ample for all public need; so that there is no need to tax either Labor or Capital.

21. That the wealth of Labor & Capital, Inc., commonly called the public, is not the same as the sum of the wealth of Labor and of Capital, but is entirely separate and distinct. (See No. 19.)

THE DEFINITIONS

22. That wealth is any natural product modified by Labor for use and that all wealth is produced by Labor from land, for no matter how abundant the voluntary yield of Nature may be, labor is required to harvest, process and store it.

Labor and Wages

23. That any human effort is labor, so that the term "labor" includes all human effort, whether physical or mental, as set forth in Formula C in "The Catechism in Fundamental Economics."* (The word "labor" when capitalized signifies those who labor.) (See 18)

24. That the return on labor is wages and this return belongs sacredly to Labor, all of it,—with nothing taken out by any one for any thing, not even by a tax collector for taxes.

Capital and Interest

25. That wealth devoted to the production of more wealth is capital. (Formula F.) (The word "capital" is capitalized when it is used to signify the owners of capital.)

26. That the return on capital is interest and belongs sacredly to the owners of the capital, all of it,—with nothing taken out by any one for any thing, not even by a tax collector for taxes.

Land and Rent

27. That land is the material universe; so that an aviator aloft in his plane is, in the economic sense of the term, as much on land as a plowman in the field. (Formula B)

28. That there is a vitally important difference between land and land value that must be kept always in mind; for they are entirely different and distinct things in nature, origin and economic significance. (See Nos. 16-19.)

29. That land is not the handiwork of man, but is the gift of Nature to us all; but the land value is man-made, being the creation of the public and belongs sacredly to the public under Formula D: To the creator belongs his creation.

30. That land value results from the establishment of schools,—even from the decision of the public to supply schools and/or any other public betterment or service whatsoever and/or the launching of private improvements and/or any private service; that land value results from the mere growth of population. (See No. 18.)

31. That the return on land value is rent, which can be defined either as the return upon the value created in land by the presence and activities of the public or it may be

defined as the payment made for access to that presence and activity,—which payment, being capitalized, fixes the land value.

32. That, by rent, the economist means the return on land value irrespective of improvements either on or in the land; so that rent is the return on what farmers call the "run down" value of land.

THE EQUITIES

33. Land value (except where it is inflated by speculation encouraged by our tame submission to the embezzlement of our rent) is the capitalized value of the service rendered by society to the occupants of the land and hence where there is no such inflation the rent is the measure of the occupants' indebtedness to society for service rendered.

34. That land is not a product of human labor and land value cannot be produced by an individual unaided; no matter how rich the soil or favorably located land may be, it has no value till two people want it, after which it grows in value as more people want it. (See Formula H in "The Catechism in Fundamental Economics".) Hence the rent paid or payable at a given location cannot belong to an individual, no matter what title he may have to the occupancy rights.

35. That Labor does not get all its product and enjoy the full reward of its effort unless it gets its share of the rent resulting from its activity. (See Nos. 18, 30.)

36. That land value results from the investment of capital in factories, shops, mills, markets, theaters, stores hospitals, churches and whatever helps make a community.

37. That the owners of capital do not get all that belongs to them unless they get their share of the rent resulting from the activities into which they put their capital.

THE RIGHT TO LIVE

38. That these rights are predicated upon the fact that a man's life is his own and he has the right to live, which means that he has the right to support his life, the right of free access to the best sources of that support (because the occupant of an inferior location would be at the mercy of the holders of superior locations); the right to work there undisturbed, the right to the unquestioned possession of all that he produces, the right to save all of that he can, the right to use what

*One hundred questions and answers by the same author and publishers; 48 pp., 25¢.

he saves and the right to the yield of his product, which we call interest,—his own, but not his wages.

39. That to grant him less or to withhold any of this from him is to nullify his right to life, liberty and the pursuit of happiness. (24, 26.)

40. That he has the right to all this, including as it does his interest, and can take it all, every bit, without in any degree infringing the rights of any one else; for all that is granted is his right to his product and to the yield from his product,—which cannot by any possibility be the product of another, nor be the yield from the product of another.

41. That this yield from the product will seldom, if ever, be the entire product of the investment; because capital is inert and cannot manipulate itself. It has to be moved and, when moved, it is Labor which moves it; hence there is in the return received from an investment, in addition to the interest on that investment, the wages of the labor involved in planning and managing the investment, as well as that involved in the actual handling of the capital. (See 38.)

INDUSTRIAL RELATIONS

42. That capital is but the tool of Labor, lacking the power to even move except as Labor moves it; for, although horses and cattle may be capital, they move themselves only as animals, not as a factor in the market. (See Nos. 25, 26.)

43. That, as capital is but a tool, the possession of capital gives the capitalist no greater power than his own power as a laborer using that tool. (See No. 26.)

44. That the power, whether for good or evil, of a capitalist, or of a capitalistic society or a capitalistic system cannot be other than, or in any way different from, the power of Labor itself.

45. That it is illogical for Labor to imagine that there is any conflict of interest between bare-handed Labor and Labor equipped with the tool, capital, and so to fear that Labor may be exploited by itself and to demand that laws be passed to curb either itself or its tool, capital.

46. That the so-called Money Power has, by reason of its money, no power to oppress; for money is a symbol, a medium of exchange, representing wealth (including, of course, capital) each of which is

the product of Labor and neither of which is able to move in the market except when, where and as Labor moves it.

GAME-KEEPERS' RAKE-OFF

47. That low wages are not the result of exactions by Capital, but like low interest, are the result of the depletion of the wage and interest funds by the private appropriation of rent; for whenever rent goes into private pockets it is removed from the stakes of the game of life and cannot be again available to its producers unless they sign notes for it or earn it over again.

48. That this removal of the rent from the people's accounts to the titleholders's private accounts, like the removal of the game-keeper's rake-off from the gambling table, not only places that sum beyond the reach of the players, be they ever so clever at the game, but if the process is long enough continued it transfers all the stakes to the account of the game-keeper.

49. That the progressive withdrawal of this game-keeper's rake-off depletes the buying power of both Labor and Capital and is the real cause of slow business, unemployment, bankruptcies and the misery of what are called hard times.

50. That the withdrawal of this private rake-off puts a strain upon men that results in misconduct of every known type,—directly traceable to the effort to "make ends meet" when wages and interest are syphoned off into rent and living costs are rising.

51. That, just as chiropractors often cure stomach ills, deafness, etc., by relieving bone pressure on the spinal cord in the neck, so scientific economists hold that bad civic, political and industrial conditions can be oftener traced to economic compulsion than to a willingness to abandon the ideals of conduct commonly accepted as correct even by those who do not live up to them.

SOCIAL RELATIONS

52. That among the masses, vagabondage, petty thieving and pilfering, petty and grand larceny, hold-ups, and burglary are among the fruits of landlordism.

53. That in the underworld we find crooked gambling, bootlegging, narcotic peddling and white slavery among the fruits of landlordism.

54. That in the political world we find bribery, collusion, conspiracy,

and corruption among the fruits of landlordism.

55. That in the educational world we find politics in its baser forms crowding out the ideals of the pedagogue; so that the school is degenerating into an adjunct of the political machine.

56. That on the air we have jazz, blatant and often dishonest advertising, political propaganda of the most unscrupulous nature and a continual violation of the sanctity of our homes,—all these, like the others, to be listed among the fruits of landlordism.

57. That in the realm where Journalism once proudly reigned, Commercialism rules supreme; so that we now have adpapers where formerly we had newspapers, editors in the places once held by editors, and are deluged with advertisements and editorials instead of being assisted by honest news and intelligent editorials. (See No. 46.)

58. That in the religious world the pastor's study becomes an office and the pastor himself is selected as much or more for his business ability as for his piety and that in far too many cases the churches have given hostages to their budget committee; so that the church as a whole has lost its leadership.

59. That in the professional world we have ambulance chasers and shysters of all sorts and degrees, in law; illegal practice of medicine and surgery in that line; hypocrisy in the pulpit, subservience and treason in the editorial sanctum, political chicanery in the schools, pot-boiling and sychophancy among literary men, artists, sculptors and song writers,—all more or less directly traceable to conditions resulting from the embezzlement of our rent.

FAMILY RELATIONS

60. That in family life, the father has lost his proud position as the bread winner for the family, because it is so often necessary for the wife to supplement his earnings with her own and that, in an increasing number of cases, it is even necessary to press the children into service to keep the wolf from the door.

61. That, as a result of this situation, family life is breaking up to such an extent that children are left to rove the streets and to grow up wild, divorces gain alarmingly upon the number of marriages and the very institution of marriage is

threatened. (See 38, 56, 61, 62.)

62. That, as a direct result of the exactions of landlordism, many men refuse to accept the responsibilities of marriage, thus depriving an equal number of women of an opportunity to realize wifehood; and, even in many cases where the forms of matrimony obtain, the unions are cold-blooded matters of business convenience without even the pretense of meeting the requirements of a proper union; and in many cases where the unions themselves are ideal these are marred by the fear (or worse yet, the knowledge), of the contracting parties that they cannot afford to have children.

63. That, as a result of this tragic break-down of the family which is thus directly traceable to the embezzlement of our rent, the old conventions regarding sex are being broken down and society is faced by a sex problem of a new and a startling nature and of menacing proportions.

64. That, because of this connection between the impoverishment of the wage and interest funds and these problems of divorce, of flaming youth and of the "Red Light", it is obvious that these problems are all, at base, economic problems and must be solved by recovering our rent and reestablishing those pioneer conditions so conducive to successful self-support and to that self-respect and dignity and sturdy virtue that mark men and women who need to ask no favors and who have nothing to conceal. (See No. 51.)

NORMAL HUMAN RELATIONS

65. That men are gregarious creatures, like the quail and the beaver, and that it is unnatural for them to be anti-social or quarrelsome or to put self above the community; but, on the other hand, it is natural for them to work together in unity and that they would do so were it not for the unnatural conditions caused by the embezzlement of our rent.

66. That there is the closest possible connection between our freedom and the steadfastness with which we hold to our ideals.

67. That, in normal men and women there is an instinctive desire to be well thought of and an equally instinctive aversion to conduct disapproved by one's fellow men.

68. That our normal inclination to do what is considered right by the leaders of the community has to be over-come by some sort of inter-

ference with our freedom of choice.

69. That this interference is most to be feared when it cuts men off from their supplies and renders their very existence dependent upon the will of other men. (See 38.)

70. That, when men are thus cut off from their necessities, any thing in the way of civic, political or moral breakdown may be expected.

INDUSTRIAL PEACE

71. That, as the Georgist* plan of collecting the rent in lieu of all taxes gives both Labor and Capital all they ask without requiring any sacrifice of either, this is the road to permanent industrial peace.

CAUSE OF MONOPOLY

72. That the excessive and unjustifiable "interest" known as usury, is never found except as an accompaniment of monopoly, which in its turn is never found excepting where there is interference with our free access to land; hence usury is not interest at all, but rent. (40)

73. That it is impossible for one to draw wages from the labor of another; and, as borrowed capital is in effect and for the time being the property of the borrower, it is likewise impossible to draw interest from the capital of another. Exploitation of Labor and/or Capital is possible only by interference with their freedom of access to land; so that anything thus secured is rent.

74. That the excess earnings, so-called, of powerful corporations or what we call Big Business are not earnings at all, because they are secured as the result of monopoly conditions arising from interference with Labor's access to land; hence they are neither wages nor interest, but rent,—an unearned increment, a forced levy on Labor and Capital.

75. That, as all wealth is produced by Labor from land (See Formula E) wealth including capital, is the product of Labor, which is always master of its own destinies, except when, where and as its free access to land is restricted. (60, 70)

76. That, as capital is wealth, it too, is the product of Labor and, in actual practice, is the tool of Labor (See No. 26); so that here,

*Named for Henry George, "The Prophet of San Francisco", author of "Progress and Poverty", explaining why, at present, poverty deepens with our progress.

too, Labor is master of the situation, except if, when, where and as its free access to land is denied.

CURE OF MONOPOLY

77. That the cure for the evils so commonly charged to Big Business, whether financial, commercial or industrial, is not to be found in regulation and restraint of this so-called Big Business, but in the re-establishment of Labor's free access to land by the denial of private claims to rent. (See No. 34.)

78. That there can be no monopoly of any product except when and where and as there is a monopoly of natural resources,—that is, an interference with Labor's free access to land.

79. That the possession of machinery and money will not, of itself, enable a man even to manufacture a product,—much less to establish a monopoly in that product; and that no matter how excellent one's equipment or how great his wealth, he would still be at the mercy of those who could interfere with his access to land, for they could demand so much rent that they and not he would be the real beneficiaries of his wealth and equipment.

80. That no amount of state regulation can save either Labor or Capital from exploitation where rent goes into private pockets; for, be the benefits of regulation what they may, they would all be absorbed in rent,—always at the expense of wages and interest. (16-19, 35, 37.)

81. That, where rent goes into private pockets, not even the taking over of the machinery of production by the state can save either Labor or Capital from pillage; and where rent is collected in lieu of taxes, there is not only nothing to fear from private control of the machinery and nothing to gain by socializing it, but the establishment of state control would be a distinct and unwarranted interference with private initiative. (See No. 38.)

82. That land value is the vital exception to a seemingly general rule (that taxes add to the price); for a tax on the value of land lowers the price of land and the cost of living, both of which are, on the other hand, raised by the lowering of the land value tax, whether this be lowered by consolidation of jurisdictions, economy and efficiency in administration or by the raising of other revenue, such as the earnings

of successful public ownership of public utilities. The reason for this is that the land value tax cannot be passed on and must come out of the income from the land.

LAND MADE FREE

83. That if the private seizure of our rent is stopped so that it becomes impossible to make anything from land except by using it, no one would hold more land than he needed,—Selfishness itself being the policeman that would stand guard to see that this rule were obeyed.

84. That then any land not used would be unclaimed land and open free of purchase requirement to any one who wished to use it so that the doors of opportunity would be wide open to all. (See 69, 70.)

85. That then, as no man could get between another man and his source of supplies, monopoly and exploitation would be impossible.

86. That then, as it would be safe to leave the machinery of production in private hands, we could do that as an incentive to private initiative and in that way stimulate both Labor and Capital to do their very best. (See Nos. 65, 81.)

WHO USE LAND

87. That free access to land does not mean that every one is expected to till the soil; for there must be men to make and deliver supplies to these tillers of the soil and still others to transport, process, store and sell the products of the soil and others to perform the professional and other tasks incident to organized society; nor does it mean that any one could enter at will upon any parcel of land that might happen to please his fancy,—unless, of course, that particular tract was unclaimed at the time. (See 84.)

88. That the equal right of actual, exclusive physical possession is neither possible nor desirable; for that would interfere with the exclusively private possession so necessary to the full enjoyment of one's own life. (See No. 38.)

89. That the right of every man to every parcel of land means only that each of us has in every parcel of land a titular interest, entitling us to compensation for being excluded from actual, physical possession. (See Nos. 16-18, 30, 31.)

TAXES PAID IN RENT

90. That, where the land involved is private property and the rent

goes into private pockets, the financial benefits of community progress in morals, culture or material well-being will be, at least approximately absorbed rent. See Nos. 16-18.)

91. That we pay more rent because of the schools, streets, parks, subways, highways and other public betterments and because of the service of the fire department, police department etc.; so that we really pay our share of the cost of these betterments and this service in our rent. (See 16-18, 30, 31.)

92. That those who charge us rent on account of schools, streets, subways, highways, parks, postal service, fire protection or police protection are in reality selling us our own public betterments or public service and for them to keep any part of that rent as their own is embezzlement, morally, if not in the eyes of the law. (See 16-18.)

93. That, to the extent that Labor and Capital are taxed to make up for our failure to collect all of our rent, Labor and Capital are the victims of double levies; for each must pay in rent for the service rendered him by society and, if because of the embezzlement of that rent, he must pay the bill again in taxes, he has been forced to pay twice for that service. (See 30, 31.)

94. That, as the financial benefits of all expenditure of public funds and of all public activity and virtue are, when rent goes into private pockets, at least approximately absorbed in rent; so that any legislation which imposes levies upon others than titleholders, or imposes any levy for public purposes upon any other basis than that of the land value monopolized, is class legislation and against public policy, unjust, unwarranted and unconstitutional. (See Nos. 30, 31, 38.)

95. That, as the effect of public utility service, like that of any other service, is to raise land values and these only and so to raise rent, it follows that the public ownership and operation of public utilities as a means of raising public revenue is class legislation, enriching rent-takers at the expense of the patrons of the utilities. (82, 90.)

96. That, as we pay more rent because of the utility service available at our location, and pay in that rent what the market deems that service to be worth, it follows that we are to that extent victims of a double payment if we pay in addi-

tion for the utility service in service rates. (See Nos. 30, 82, 90.)

97. That the rent paid on account of utility service should go into the public treasury to finance the service for which the rent is paid and unless this is done and the service is rendered free of tolls, as elevator service in office buildings is, the public ownership and operation of utility concerns is class legislation enriching titleholders at the expense of the landless. (30, 31, 82, 90, 94)

TRUE RENT IS MEANT

98. That this rent is the return on the bare land value, alone, or what the farmers call the "run down" value of the land. The "rent" on houses, automobiles, typewriters, pianos, etc., is not rent at all, but interest; for all improvements on or in the land are the result of either the expenditure of labor or the investment of capital (or both); so anything paid on account of improvements is either wages or interest, or a combination of both.

99. That the taking of the rent in lieu of taxes takes only what belongs to the public and which, in equity, should be distributed as a dividend to the public that those who have contributed to the public good may receive the wages and interest due them. (30, 35, 37, 90.)

100. That land cannot be concealed and its value is easily discoverable where the value is knowable; and that even in the matter of our subterranean stores of oil, gas, coal and mineral, it is possible to get for the public every cent due it on account of withdrawals from these unmeasured deposits. This is possible because of the scientific fact that all such withdrawals result in land value at the various points where those thus engaged live and/or spend their money; so that, if the rent is collected into the treasury the public secures the revenue due it on account of this draft upon its inheritance. (31)

101. That the collection of our rent is the first duty of government and the collection and distribution of that rent may be said to comprise the full duty of government. (See Nos. 17, 35, 37, 49, 71.)

ABOLISH ALL TAXES

102. That, as rent is the payment for service rendered by society to the occupant of a given site and, as the rent is determined by the value of that service, it follows not only

that the public is entitled to the rent as compensation for its exclusion from the site, but it follows also that the rent differs from a tax, which is a forced and arbitrary levy having little or no relation to any service rendered but levied usually upon the supposed ability of the victim to make a contribution to society, hence the collection of the rent is not a tax. (30, 89, 90.)

103. That as this collection of our rent for public use would make taxes unnecessary, this is not another tax plan, but NO TAX plan.

104. That it is incorrect to refer to this system as the single-tax system and equally incorrect to call its advocates Single Taxers, as they are in reality NO TAXERS.

105. That, to whatever extent the rent is now collected into the public treasury under our present tax system, we do now collect rent in lieu of taxes, even though the collection be mistakenly described as a tax; and to that extent it may be said that our present system is a NO TAX system. (See No. 32.)

106. That rent is not only the proper fund from which to finance community needs, but it is the only fund that can be honestly levied upon for that purpose. (See 19.)

107. That this is Nature's own way of providing for the body politic,—the scientific way, the practical, efficient and easy way and the just and proper way,—the only way it can be done. (See Nos. 3, 5-8, 101.)

RENT IS SUFFICIENT

108. That the rent (meaning always, true rent, or ground rent), is sufficient for all the needs of the community, because people always pay to live in the community what the advantages of life there are worth; so that what they pay for location privileges, as distinct from housing and kindred accommodations, will always equal the value of the publicly-financed service and betterments which induce them to reside there. (16-18, 30, 90, 101)

109. That the rent will more than finance the publicly-financed betterments and service because privately-financed betterments and service also raise land values and raise rent, for people willingly pay more to live where there are churches, theaters, stores, hospitals and where there are available the professional advantage worth, it follows that geons, attorneys, dentists, etc. (30)

GETTING YOUR SHARE

110. That, while the land value is the creation of the public and the rent paid thereon belongs to the public, it is impossible to distribute it as a cash dividend, for the reason that it is impossible to know how many have claims upon it, or how much of it belongs to a given person and, further, no apportionment however correct it might be, would continue to be accurate long enough for the dividend to be paid, because claimants are dying all the time and new claimants are being born.

111. That the only way the rent fund can be distributed to its joint owners is by declaring a service dividend and so making the distribution in the form of school service, park and street and postal service, police and fire protection, and other services and in the privilege of enjoying government betterments. (See Nos. 35, 37, 101, 107.)

112. That it is not only possible to make this distribution in this way, but that this distribution would be automatically accurate and continuous upon a "cash and carry" basis.

113. That it is possible in this way to even get for each citizen his share in our common store of oil, gas, coal and minerals. (107)

114. That this distribution is automatically accurate and continuous, because the rent is the measure of the service rendered the occupant of a site; therefore, when one pays his rent,* he has paid for all that society has done for him—and, conversely, if the rent is collected in lieu of taxes, the occupant of a site receives from society in service the exact equivalent of his rent, regardless of the manner of its payment,—whether directly to a landlord, or indirectly as a part of his cost of living. (30, 33, 82, 90, 107)

THE FARMERS

115. That the exemption of all improvements from taxation and the collection of the rent into the public treasury for the benefit of the public would equalize the present viciously unjust practice which imposes the same tax upon the \$5,000 houses far out in isolated districts that would be imposed by the same authorities upon an identical \$5,000

*True rent, or ground rent, is of course meant, for "rent" so-called on improvements on or in the land is not rent at all, but is interest.

house at the edge of a good town, on a good highway, near the district school and available to the postal and utility service provided in a suburban area. (See No. 32.)

116. That the collection of the rent in lieu of taxes would put into the public treasury for the benefit of all the enormous sums paid upon the land value in our large cities and so correct the injustice involved in the unjust division of public benefits as between small urban or rural communities in the hinterland and the more highly developed metropolitan areas. (16-18, 30, 90)

117. That, by exempting all improvements on or in the ground and collecting the rent in lieu of taxes for the support of highways, etc., the farmers would be given their share of the benefits purchasable with the rent which is developed in the cities as a result of their enterprise in the surrounding country. And this is the only way that the farmers can get these benefits. (See 30, 82, 90, 94, 111.)

118. That, under this plan, each occupant of land would be guaranteed an exclusive right of private possession of all land upon which he paid the rent, just as if he actually owned it; for the rights of all other claimants would be bought off by the rent payments. (88, 89)

SECURITY AND PRIVACY

119. That householders and farmers, gardeners, shop people and all users of land would be even more secure in their possession of that land than they are now; for the reason that no titles would be disturbed and all of them would be exempt from taxation on all improvements on or in the land.

120. That, as all other laws would stand "as is", the possession of a parcel of land would give the occupant the first chance to pay the economic rent on that land and to continue his occupancy; for, no one else could displace him so long as he is willing to pay the economic rent; nor could any one bid the rate up on him, as rent would be fixed by the market and not by a freak or sentimental or spite bid.

121. That the possession of the receipt for the annual payment due on the land value one monopolized would not only give one the identical security that a deed and tax receipt now give, but would give one the added security involved in

the fact that it would be impossible for another to have an adverse claim and the further fact that it would not then be necessary to tie up any money in the purchase of land and the still further fact that on well-improved properties, the economic rent would be less than the levies under the present system. (See "Taxes abolished".)

122. That the amount of the saving in any case would be the full amount of their present taxes, direct and indirect and of every kind and description, property taxes, excise, impost, income and inheritance taxes, the gas tax, the business tax and all the other taxes on all we do and have, less only the increased charge we would have to meet by reason of the requirement that we pay the full annual value (rent) of of the location value we monopolize. (See Nos. 16-18, 30, 32, 90.)

123. That those who hold improved real estate would be amply compensated for the loss of the sale value of that real estate by the exemption of their labor and capital from all taxes, both direct and indirect, and by the tremendous impetus that this relief would give all business. (See 32, 35, 37, 120.)

124. That then we would have to pay only for the 'show', as do those who attend the theater,—and not be charged more for that because of what we might have in our pockets, or in our homes or offices or because of any other matter unrelated to the "show".

125. That the public revenue would be much greater than it is now; for the reason that those who borrow our land value would pay the same rate on it that they would pay for a loan of the same amount at a bank,—paying 6% or whatever the money rate might be which would be at least twice, possibly three or more times the present levies. (108)

SPECULATION PREVENTED

126. That this penalty on the holding of unused land would discourage speculation in land and encourage both Labor and Capital. (84)

127. That land speculation would entirely cease as soon as people discovered that no matter how much land might increase in value, or how high rent might go, no one could profit by it privately because, whatever the increment might be, the increased rent would go into the public treasury. (See 34, 92.)

128. That, instead of fixing levies as we do now according to what we think is the least possible sum with which the government can "get by"; the government revenue would then be determined by the amount of rent the people pay. (See 18.)

129. That, instead of having to devise ways of financing the public needs upon a given revenue, the officials would then be obliged to find new ways of spending the revenue that would be pouring into the public treasury. (See 30.)

130. That, instead of commending an administration that skimmed on expenditures and hoarded a surplus in the treasury, we would then rebuke it for depriving us of our service dividend upon our investments in citizenship. (35, 37, 110)

131. That it would then be as unnecessary for men to invest in land as it is for theater patrons to buy the chairs they occupy at a theater; so that it would be easier for new enterprises to establish themselves in a community and investors, instead of investing in opportunities to sponge on us, would be compelled to invest in something constructive.

132. That the security of the holder of one of these receipts would be identical to that of a theater patron who holds a coupon entitling him to the undisturbed possession of a theater seat, although he has not bought the chair in which he sits. (See Nos. 119, 125, 132, 133.)

133. That all one would need do to hold exclusive private possession of land would be to pay to the public collector the full annual value (the rent) of the land value monopolized. (See 16-18, 30, 87, 90.)

134. That the occupancy rights one would then have in land could be bought and sold or bequeathed exactly as now,—except that the rent would all go, always, into the public treasury; so that one could not profit personally by any increase in the value of land, no matter how much that increase, nor would he lose by a decline in that value.

135. That, as the only values that could then be privately appropriated would be wages and interest, the only values one could sell would be the improvements and equipments one might have on the land. Anything paid for these would be the private property of the seller. Private appropriation of rent having been abolished, land itself would have no sale value; for the sale

value of land is the result of the opportunity for embezzling rent.

136. That even titleholders who were forced to give up land held unnecessarily in the hope of reaping an unearned increment would really be not only unharmed, but would even save money as a result; for, although such land as they had no use for would "go for nothing", they could get the same land back, or gets its equivalent, also for nothing, whenever they might need it,—and would be saved the taxes on it for the interval during which they had no need for it.

AMENDING THE CONSTITUTION

137. That to collect all our rent and to do it in lieu of taxes we must amend our state and federal constitutions. (See Nos. 101, 107.)

138. That this change will, however, be confined to the designation of the sources of public revenue and, except for this, no change need be made in our revenue collecting system or machinery,—not a line need be changed in any printed form in the offices charged with this collection. (See No. 120.)

139. That these changes would simplify our system and remove the temptations to favoritism and graft; for land values are matters of public knowledge, easily checked by the public, every citizen would be selfishly interested in the collection of all the rent and officials would be more interested in pleasing the public than in pleasing a few holders of land.

140. That the rent would then be collected by the municipal authorities in municipal areas and by the county authorities in non-municipal areas.

141. That the municipal authorities would transfer to the county treasuries the municipalities' pro rata share of the counties' budgeted needs and the county officials would send to the state treasury the counties' pro rata of the state's budgeted needs, and the state would transmit to the federal treasury its pro rata share of the federal budget, and the federal treasury would in the same way transmit to the treasury of the League of Nations any apportionment that may ever be levied upon us for that, if we should join the League.

142. That the local or home unit, would be considered the main office and the upper and more remote

units, such as the state and the federal governments would be considered as branch offices.

143. That budget requirements of school districts, lighting districts, road districts, irrigation districts and all other districts empowered to levy and collect taxes would be cared for by the respective municipal or county authorities in the same way and upon the same pro rata land value basis prescribed for other budget needs. (See 108, 130.)

144. That all apportionments of budget requirements would be made on the basis of land value irrespective of improvements on or in the land. (See Nos. 32, 115, 123.)

145. That the money remaining after these remittances to the branch offices would belong to the home people and be available for their purposes and might be spent in any way these people might decide.

146. That a host of officials, collectors, deputies and spies, and by far the most of our governmental boards and commissions would then be dispensed with, as they would no longer be needed. (See No. 140.)

147. That the task of our legislators would be so immensely simplified that by far the most of our laws could be repealed and the remainder could be so simplified that the saving in time, money and in trouble (including litigation) would be beyond calculation. (See 139.)

148. That under the NO TAX plan, those holding no land in their own name would make no direct payments to the revenue collectors, as they would pay their proper share of the communal bill in their cost of living, and those into hands this rent might come would pay it over to the official collectors of revenue, either annually, semi-annually, quarterly or monthly as might be decided. (See Nos. 82, 90, 97, 114.)

149. That, because land would be free, men would be free and exploitation would be impossible; hence, although rent would be an item of cost passed on in all purchases, still no more could be passed on in any given case than would be fairly due from the purchaser under the circumstances,—the rest being paid by the dealer as his share of the public service rendered them both. (See Nos. 72-81, 114.)

UTILIZE SELFISHNESS

150. That the use of our rent in lieu of taxes would greatly speed

the march of Progress and Culture; because then the only selfish interest that any one could have in the question of our public expenditures would be in the chance these offer for employment and more business. Hence both Labor and Capital would be in favor of increased expenditures,—that being the only way the rent could be got back into the channels of trade. (110-114.)

151. That, instead of complaining because of public officials received high salaries, the public would be in favor of high salaries; because the more these officials received, the better customers they would be and the more useful as citizens.

152. That then no one would care how long a man might have had an office; for there would be no longer any reason to look upon a public office as a favor that should be passed around; nor would the public care how many offices one family might hold. (See 16-18.)

153. That, as public offices would no longer be political plums to be obtained by political trickery, but would be sought and held upon a wholesome and self-respecting basis, we would be able to get better talent and better service. (See 53.)

154. That, as our public officials would not then be paid with our hard-earned personal funds, seized by tax collectors for that purpose, we would not be jealously meddling with them, and public office would become attractive to men who now refuse to expose themselves to this annoyance. (20, 54, 110-114, 149)

155. That the use of our rent in lieu of taxes would completely remove the barrier of selfishness and indifference from the path of Progress and usher in the Golden Age; for then, as no man's wages and no man's interest would be taken for public improvements, no one would then object to the appropriation of public funds to improvement projects. (See No. 20.)

156. That, as no one, no matter where he might live, could profit financially by influencing the location of the proposed improvement, there would then be no sectional controversies over the question of location and the community could devote its undivided attention to the matter of finding the best locations for these projects and to making them the best that science can plan and money can build.

157. That, as free access to land

would be enjoyed by every one so that no one could be exploited, the fact that a man held office would not enable that man to exploit another and public office would become an emblem of service, not of privilege; and politics would become what it should be, the noblest profession of them all. (79-89, 154)

GIVE VIRTUE A CHANCE

158. That putting taxes on things men do and on what they save penalizes industry and thrift and rewards indolence and shiftlessness,—tending to discourage honesty and to make liars and cheats of men and to cause them to watch for opportunities to "get even" with the government; and also causes many to turn to crime as the easiest and quickest way to make money.

159. That, on the contrary, the NO TAX system would encourage industry and thrift and make it financially profitable for men to be honest with society. (See 65-70.)

160. That the adoption of this NO TAX system would at once put the mighty force of economic compulsion behind our efforts to bring about the moral reformation of the world; for men would not only be convinced of the futility of seeking material success and security by a system which runs counter to the law of good will and of good neighborhood as our present system does, but they would be convinced that it is literally true that he serves himself best who best serves his fellow man. Better still, the banishment of fear and suspicion that would result from this new security would make it possible for us all to be good neighbors, not merely as a policy, but but because we would feel neighborly. (See 65, 150, 156.)

161. That then churches would find their work much easier and, being freed of their budget perplexities and men being then free to be good, the churches could again be religious institutions and the clergy could again be spiritual leaders.

162. That the schools could then be educational institutions and the teachers would be free to be teachers and follow Truth anywhere.

163. That the press could then recover its rightful place and again lead with constructive comment on the events of the day, papers would be newspapers again, not adpapers, and would be again in charge of editors instead of aditors, and journalism would be restored to its

rightful heritage of leadership (58)

164. That then the theater would resume its old and respected place in our lives and again become a leader in culture. (No 19 et seq.)

165. That then the cinema, that is moving picture, both the silent and the "talkie", would have freedom to rise from the mire of commercialism and soar in the realms of art and culture and to take its proper place as the teacher of teachers, the inspiration of inspiration itself!

COST OF LIVING

166. That the use of our rent in lieu of rent would reduce the cost of living without reducing either wages or interest; because it would discontinue the opportunity now enjoyed by speculators to run up the cost of living at the expense of both Labor and Capital. (No. 157.)

167. That a tax imposed on labor products while those products are private property discourages enterprise, industry and thrift and adds to the cost of those products by compelling us to assume the tax in addition to the cost of production in order to keep the producers at their task,—something that does not need to be done to keep Nature at her task. (See No. 82.)

168. That, as the tax on land value cannot be passed on, the use of our rent in lieu of taxes would relieve us from the hardship involved in the rise of living costs at the very times when both wages and interest are falling. (82, 90.)

169. That, so long as rent goes into private pockets, it matters not what may be the economies of mass production and of improved machinery and of scientific discovery, for no one can take advantage of this progress unless he gets within a reasonable distance of the place where these are available; and no one can do that except upon the terms of those who control the neighboring locations; so that titleholders who control the locations contiguous to the factory or the terminals or the rich valley absorb in rent all the traffic will bear,—thus taking for themselves the results not only of Nature's bounty but of these new economies and leave to Labor and to Capital no more than before. (See 75-80.)

PROGRESS AND POVERTY

170. That, when 10% of the product is thus taken by a favored few

in rent, the producers must get by, if they can, on 90% of their product. When because of added progress and culture values increase and rent takes 40%, Labor and Capital must get by, if they can, on 60%.

171. That this constant impoverishment of Labor and Capital by the "game keeper's" rake-off that is being constantly taken from the players' stakes in the game of life is, because of our ignorance of economics, mistakenly laid to other causes that really have nothing to do with the matter. (See No. 47.)

172. That, because we are encouraged by certain teachings to lay our difficulties to the frailties of human nature and to the natural meanness of the human heart, we are in the habit of explaining our menacing economic plight by blaming it to this or that group whose teachings we either fail to understand or cannot accept. (See 10.)

173. That, as a result, we are divided into hostile camps and arrayed—unions against employers, Klan against Catholic, Jew against Gentile, banker against borrower and alien and native born. (10, 65, 72)

174. That this view of things is unscientific and unjust; because the economic interests of all who live on wages and/or interest are identical,—no matter where they live or what they do. (See No. 157.)

175. That it is easier to settle a quarrel by this appeal to economic science, showing the parties that they are both mistaken and that they have nothing to quarrel about, than it is to settle a quarrel by compromise and mutual concessions.

176. That, as the quarrel between Labor and Capital is the result of an unhappy case of mistaken identity, it can not only be settled, but we can give both parties all they ask and do it without taking any thing from either. (10, 65, 72-82)

177. That the Georgist solution of the quarrels of the world, as presented by Henry George in "Progress and Poverty", is the really scientific and easy solution, as it conclusively proves that in the cases mentioned there is nothing to quarrel over. (See No. 71.)

178. That the Georgist philosophy is the philosophy of just and continuing peace. (See No. 71.)

MEN ARE GREGARIOUS

179. That human beings are gregarious, like sheep, quail, the ants

and the beaver and that it is their nature to dwell together in unity and helpfulness. (See Nos. 10, 65.)

180. That the cause of our differences over the location of schools, parks, highways, county seats and state capitals, over tariffs and legislative policies, and the cause of all wars is the same; namely, the division of the rent, which separates mankind into two irreconcilable and hostile groups, the Patriots of Here and Enemies of There. (See 156.)

181. That this rivalry over the rent rake-off divides us into the East Side and West Side, North Side and South Side and sets the county against the county seat, the cities against the hinterland, the Eastern States against the West, the North against the South, and the whole country against New York; yet even that is not all, as it was for the rent involved in the winning of world trade that Germany violated Belgium and precipitated the late World War; and it is to maintain the rent in English mill towns that England is in India and it is because of the rent that is created at home by this policy that England and Japan and the United States are carving out rival spheres of influence in China and in other places. It is for rent that our "best" people turn the blind eye upon law violations, that the Red Light district flourishes and that bribes are boldly given in the halls legislation. It is the love of rent, not the love of money that is the root of all evil and that is cursing the race and making a hell on earth. (156)

ABOLISH SECTIONALISM

182. That the way to settle this never-ending warfare is to do with the rent what Mother did with the toys over which we quarreled,—to take it away from both parties and put it in the treasury out of our reach; for as there is nothing to be gained by war but rent, no man is going to vote for war, much less pay taxes for war, when it is made impossible for any man to better his condition by war. (156)

183. That, under such conditions, even the much-touted selfishness of Big Business so-called, would be for peace; because there would be everything to gain and nothing to lose by insisting on peace. (156.)

184. That, as our civic, political and industrial problems are economic and not matters of personal con-

duct, we can solve them without waiting either to have men "born again" and so made over in this generation or waiting to have them improved by the slow process of evolution. (See Nos. 10, 65, 158, 165)

185. That, therefore, we can have just government without waiting to make men just. (79-89, 154, 157.)

186. That we can do away with graft without waiting to make men honest. (See Nos. 50, 66, 68.)

187. That we can do away with exploitation without waiting to do away with greed. (See No. 73.)

188. That we can provide for the helpless without waiting to make men generous. (See No. 108.)

189. That we can have harmonious relations between the various races and religions of earth without waiting to make men tolerant.

190. That, as birds of a feather the Orientals and other distinct racial groups will voluntarily segregate themselves once land is made free by the collection of the rent in lieu of taxes. (See Nos. 82, 179.)

191. That city zoning will do itself, automatically and effectively, when the public asserts its claim to the rent and people can no longer win or lose individually by the fluctuations in land value. (79-89, 134)

WORLD PEACE

192. That the cause of failing business is that we cannot sell our output to a people who have but 60% of its value; hence the demand for foreign markets and the protection of our own market from foreign competition,—two efforts in the practice of which we venture into foreign entanglements and become involved in war. (47-50, 170)

193. That rivalry over the collection of the community's rent is the cause of all sectional rivalries, of all sectional bitterness and of all wars. (See 72-82, 156, 180, 181)

194. That when, by private appropriation of our rent, the rent fund is prevented from finding its way back to the people as wages and interest and their buying power is thus depleted, it becomes impossible to sell our output and there arises a demand for the protection of our home market from foreign competition and also a demand for the development of foreign markets to absorb our so-called surplus.

195. That it is in this way that foreign entanglements develop, and international rivalries and demands

for a strong navy,—and finally war!

196. That the real prize for which all wars are fought is the collection at home of the rent produced at home by the trade advantages won by the war. (See Nos. 90-97.)

197. That, no matter how victorious our arms and how far-flung our conquests, the financial benefits are absorbed in rent by a few,—and those who make the real sacrifice and do the fighting find, when the war is over, that they must, because of their patriotism, pay a higher rent than before to live in "their" country. (See No. 90.)

198. That the way to balance our budget, increase the buying power of our people and sell our product right here at home and so keep out of foreign entanglements and out of war is to put the rent in the public treasury so that our people having that 10% or 40% in their public pocket and the 90% or 60% in their private pockets will have the full value of our output and be able to buy it all and pay cash for it. (See 47-50, 170, 171, 181.)

199. That the collection of the rent makes it impossible for any one to profit personally by the increased rent resulting from the development of new industries by means of tariffs, this plan offers us a permanent cure for the international rivalries and bitterness that are fostered by tariffs, and so this Georgist, or NO TAX, plan makes for world peace. (102-107, 156)

PUBLIC OWNERSHIP

200. That those who would be enriched by this use of utility earnings in lieu of taxes become aware of their opportunity the public ownership movement will gather momentum. (See 90-97, 19)-201)

201. That the titleholders who will then back public ownership will have more political influence than the utilities and the utility forces will be vanquished and eliminated from public life (See 10, 65, 150.)

RENTERS WILL WAKE UP

202. That the next development in this evolution will be the awakening of the tenant manufacturers, tenant merchants, apartment house and flat dwellers who will refuse to be further victimized by a system that not only forces them to pay their sales taxes, but compels them to pay higher rent because they have in this way paid their landlords' taxes! (See Nos. 90-97, 195-201.)

203. That all who live in apartment houses, flats, hotels or in rented houses and pay their taxes once to a landlord and again to tax collectors or at gasoline filling stations will demand relief. (90-97)

204. That all who do business in rented stores, rented offices, rented factories, on rented farms or in other rented quarters and so pay their taxes once to a landlord and again to tax collectors will demand relief. (Set Nos. 90-97.)

205. That automobilists will refuse to go on paying their highway taxes once in their rent and again in license fees, in the gas tax and in property taxes on their cars.

206. That the Jewish people, who because of persecutions have been reluctant to invest in land and have turned instead to mercantile and professional pursuits and are therefore in the main a tenant people and victims of rent embezzlement, will refuse to longer submit to a system that compels them to pay their taxes twice,—to buy back in rent paid to a landed class the values created in the land by taxes the Jewish people pay. (35, 37, 90)

RELIEF FOR ALL

207. That all who are their own landlords also pay rent because they are out the use of the money invested in land, and pay rent to the amount of that interest; so they, too, are victims of this double taxation, paying first in their rent and again in taxes on their improvements and personal property and in the numerous indirect levies.

208. That householders without exception have more in improvements and furnishings and personal property than in land; and would immediately benefit by the change.

209. That merchants would profit for they live on wages and interest; that bankers would benefit for the same reason; and so would doctors, lawyers, dentists, clergymen, teachers, and salaried employees and common laborers. (See 35 and 37.)

210. That, with the exception of a very small minority, who have more in rake-off privileges than in the products of their own efforts, we would all be immediately benefitted by this change. (32, 145)

211. That these victims of the embezzlement of our rent so vastly outnumber the titleholders that the whole fabric of landlordism will collapse as soon as this trick is understood by the public. (See 203.)

212. That the most active and the most skillful political manipulators live on wages and interest, so that as matters go from bad to worse, they will be forced to study the reason why the wages and interest funds are always shrinking and why it becomes steadily harder for those living on these to make ends meet. Once they get their economics on straight and see this problem in its true light, their very selfishness will cause them to side with us against the rent-takers and the victory will be quickly won. (90-97, 195-201)

213. That it is possible, by the aid of these scientific principles to get the correct answer to problems in economics as surely as one can in mathematics,—to get the correct an-

swer and to know that you know.

214. That these teachings herein set forth, and which are elaborated in NO TAXES and in The Stockton Forum are either true or not true, and are either consistent with the facts and with each other or not.

215. That the truth or falsity of these propositions is a matter that is not to be settled upon the word of any so-called authority; but is a matter that each man can determine for himself. (See 9-14.)

216. That NO TAXES and The Forum are the only newspapers on the continent that are devoted in every column of every issue to the exposition of the scientific principles by which the body politic is governed.

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THIS PAMPHLET: 5¢ each, 25 copies for one dollar, or 100 copies for \$3.00.

NO TAXES and THE FORUM are 4-p. papers, with standard 7-col. pages, 18 x 24 in. THE FORUM is entering its 12th year, NO TAXES its 2nd.

THE FORUM is local, but not puny. It has defeated one police judge, one state senator, driven one nationally-known city manager out of the profession.

These are the only publications in the world, of newspaper proportions that are devoted in every column of every issue to teaching economics.

These papers are peacemakers, showing how to give Labor and Capital all they ask without taking anything from either one, and how we can in the same way settle the controversies between the Klan and the Catholics, the Jew and the Gentile, the East and the West, the alien and the native born.

NO TAXES is \$1.50 for 52 issues (now bi-weekly, to be a weekly as soon as the patronage warrants). CLUB RATES. The first two subscriptions, \$2.75; the next two \$1.25 each, the next five \$1.00 each, all others ordered at one time, only 75¢ each.

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REMEMBER! These papers teach the economic principles, by the mastery of which we can set up civic, political and industrial "machinery" that will function as accurately, as automatically and as independently of our moral or scholarship as does the machinery of the modern shop, office or kitchen. Isn't that proposition worth investigating? Don't take the editor's word for anything; do your own thinking! YOU are to be the judge!

L. D. BECKWITH, 1325 EAST POPLAR St., STOCKTON, CALIFORNIA

Aug. 4, 1941

Mr. John F. Beebe,
Bay Minette, Alabama,

Dear Mr. Beebe:

RE: H.O.L.C. hold Leases of Nelson Rockwell, S. J. Hixon and Gordon & Hazel Lowell

The leases given the above named by this Corporation, we understood, were delivered to the H.O.L.C. in connection with mortgages to secure loans from that Corporation.

It is our information that all these loans have been paid back to the H.O.L.C. and that they released to the mortgagors all collateral papers held by them. However in each case, or rather it is better to take them one at a time.

The Nelson Rockwell loan has recently been paid off and the papers were sent to the Baldwin County Savings & Loan Ass'n of Harris N. Rockwell, to whom the property is to be transferred as legatee of Nelson Rockwell and it is reported to us that the Nelson Rockwell lease was not returned.

I understand the Hixon property was sold by H.O.L.C. to Capt. William C. Parockson and the Lowell property likewise to Elizabeth K. Lye and in neither case was the lease found in the papers delivered the purchasers.

Our lease contract provides for transfer on delivery of the outstanding lease to us for cancellation so we would like very much to locate these outstanding leases. I have wondered if you might help since I understand you represent the H.O.L.C. here. I have taken the matter up with the Atlanta office and they report that they have cleared their files of these cases. Will certainly appreciate such help or suggestion as you can give.

Very truly yours,

Secretary.

REGIONAL OFFICE
HOME OWNERS' LOAN CORPORATION

114 MARIETTA STREET
ATLANTA, GEORGIA

August 1, 1941

Mr. C. A. Gaston, Secretary
Fairhope Single Tax Corporation
Fairhope, Alabama

Dear Sir:

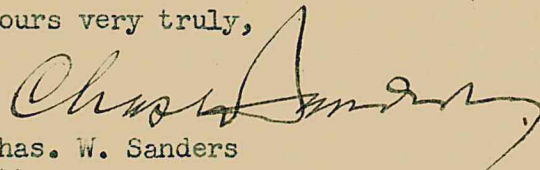
RE:
Loan No. 1-21-C-2185
Loan No. 1-5-C-2480

The receipt of your letter of July 24 inquiring with reference to some lost papers is acknowledged.

I have made a careful examination of the files in each of the cases referred to in your letter and I fail to find any one of the leases referred to. Evidently at the time of closing of our loans we did not retain these instruments.

I am sorry that I have been unable to help you in this regard.

Yours very truly,



Chas. W. Sanders
Attorney
Litigation Division

CWS/ng

July 24, 1941

Hone Owners' Loan Corp.,
Loan Division,
114 Marietta St.,
Atlanta, Georgia,

Re: Loan No. 1421-C-2185 Nelson Rockwell

Gentlemen:

Evidence has been exhibited to us of your full and complete release of all claims on the lease given by this corporation to Nelson Rockwell, which lease was dated Dec. 11, 1929 and delivered to you together with a resolution adopted by the Executive Council of this Corporation Oct. 11, 1934 to secure a loan made by your Corporation to the said Nelson Rockwell.

Exhibited to us were all the contracts and other instruments which were at the time of the loan required to be delivered to you with the exception of the above mentioned lease of this Corporation to Nelson Rockwell. Since it is desired to make transfer of this lease and since the provision for such transfer as provided in the lease contract requires that the old lease be delivered for cancellation I request that you assist in locating such lease.

I also wish to call to your attention that a like deficiency exists with regard to the lease of Hazel Lowell and Gordon C. Lowell, your Loan No. 1-5-C-2480, your interest in which was sold to Elizabeth E. Nyé May 26, 1939, by your Alabama State Manager, J. E. Rolston.

Also in lieu of the lease of S. J. Hixon to lot 10, blk. 2, div. 3 I hold affidavit from Capt. William C. Eareckson, U. S. Army that he did make full and complete purchase from you of your interests in the Hixon lease but that if the same was delivered to him it has been lost.

I shall certainly appreciate very much any assistance you can give me in locating these missing leases.

Very truly yours,

Secretary.

BEEBE, HALL & BEEBE
LAWYERS
BAY MINETTE, ALABAMA

W. C. BEEBE
H. M. HALL
J. P. BEEBE

October 28, 1938.

Mr. C. A. Gaston,
Fairhope, Alabama.

Dear Mr. Gaston:-

Enclosed herewith is deed from your father's devisees to the Fairhope Single Tax Corporation, conveying the property described in your letter of yesterday. I checked the records as to your father's will and found that the Administrators did not have power to convey, hence I drew the deed to be signed by the devisees. It is immaterial that the estate has not been closed, but all bills filed against the estate I presume have been paid and the time has lapsed for the filing of claims against the estate.

Yours very truly,

H. C. Beebe.

WCB/T
Enc.

Mr. W. C. Beebe,
Bay Minette, Ala.,

Dear Mr. Beebe:-

You will recall that, when I last saw you in Fairhope I asked that you attend to preparing a deed from Frances G. Crawford and myself as executor of the Estate of E. B. Gaston, to the Fairhope Single Tax Corporation.

Frances G. Crawford and E. B. Gaston heirs of Clara E. Atkinson acquired the property through the settlement of the estate of Clara E. Atkinson. The land is described on the 1937 assessment sheet as being follows: "Begin on the east side of Summit St., 252 ft. north of Magnolia Ave., thence east 220 ft., south 59 ft., east 116 ft., north 209 ft., west 116 ft., south 75 ft., west 220 ft. and south 75 ft. to beginning.

The Estate of E. B. Gaston has not been finally settled yet but this transaction is agreeable to all the heirs who are Frances G. Crawford, James E. Gaston, C. A. Gaston Leah C. McGill and Arthur F. Gaston and if necessary all can be parties to the deed.

Please attend to this at your earliest convenience as we are anxious to get it settled.

Very truly yours,

Executive Council
Fairhope Single Tax Corporation

In the settlement of the estate of Clara E. Atkinson we have come into possession of a deed to the following described land: "Begin at a point on the east side of Summit St. 282 ft. north of the northeast corner of the intersection of Summit St., and Magnolia Ave., thence east 220 ft., S 59 ft., east 100 ft., north 209 ft., west 100 ft., south 75 ft., west 220 ft., south 75 ft. to beginning."

Believeing it to be desirable that the Fairhope Single Tax Corporation should possess the title to this land we herewith make an offer to convey the title to your corporation for the sum of five hundred (\$500.00) dollars and one membership certificate in the name of Frances G. Crawford.

We propose, of course to convey title only to the land, retaining ownership of the improvements and taking a lease from your Corporation for the land. We would prefer the lease to be for the 75 ft., of street frontage with a depth of 220 ft., the annual rent on which would be \$40.16 using a frontage rate of 17. There would be left in the rear a tract 100X209' of low value land that probably could not be used until Church St. is extended through to Oak St.

The land is now assessed at \$350.00 and the improvements at \$750.00. Application should be made for a reduction in the foregoing assessment unless the improvements are put in better shape.

Respectfully submitted,

*Original filed with Med
C. A. Baston, Sec.*

July 12, 1938.

Mr. W. C. Beebe,
Bay Minette, Ala.,

Dear Mr. Beebe:-

I have asked Miss Winberg at the Town office to get up for you the rate information you desire for the consideration of the Robertsdale municipality and it should go forward to you in this morning's mail.

These rates are largely the work of our Mr. Wood, who was rated very highly for his information on rates by Engineer McDonald of the Alabama Public Service Commission. I am sure the Town of Fairhope and Mr. Wood will be glad to be of any service they can to the Town of Robertsdale. I believe I am safe in assuring you that we and our engineer will be glad to meet with the Robertsdale officials and you and to answer any questions on which we may have knowledge.

Very truly yours,

Secretary.

*Nov. 18, 1937 Interest at 1% a month
after ten days.
338.40*

Nov. 21, 1937.

Mr. W. C. Beebe,
Bay Minette, Ala.,

Dear Mr. Beebe:

I am in receipt of a notice and demand for the 25% penalty on the income tax of the Fairhope Single Tax for the year 1937. This notice comes from the Birmingham Collector of Internal Revenue.

The latter part of last month, in a letter to Mr. Brock, of Smith, Stokes & Bookalew, I mentioned receipt of the notice from Washington, declaring our liability and of our reference of the matter to you. In reply he wrote me: "I would be pleased if you would let me know what Mr. Beebe was able to accomplish. If he is unsuccessful we might want to request a conference with representatives of the Department and see if we can have any success in having it waived."

In view of the foregoing would it not be well for you to communicate with Mr. Brock. I am enclosing the notice from the Collector and if you write Mr. Brock send it on to him and if not return it to me with your advice as to whether we should go on and pay or make a further attempt to get it remitted.

Very truly yours,

Secretary.

Dec. 9, 1937

Mr. W. C. Beebe
Bay Minette, Ala.

Dear Mr. Beebe:

I am in receipt of a "Second notice and Demand for Income Tax" from the Birmingham office of the Collector from which I quote.

"The records of this office indicate that you are delinquent in making payment of the unpaid balance of tax and/or interest shown above.

It therefore becomes my duty to demand that this unpaid balance be paid, together with interest computed at the rate of 6 per cent per annum from the date prescribed for its payment to the date of payment, which interest has been incurred by failure to pay the unpaid balance within the prescribed time. If payment of the amount due the Government is not received within ten days from the date of this notice and demand, the Law provides that collection with costs may be made, if necessary, by seizure and sale of property.

Please return this notice or a copy thereof with your remittance to the COLLECTOR OF INTERNAL REVENUE at Birmingham, Alabama

Unpaid balance - - - - - \$338.96"

I have been able to find nothing of the letter you referred to nor of the book of instructions. I am again writing to Mr. Brock this morning and if you are going to be in Mobile any time in the next few days you might go through the file there.

Very truly yours,

CAG/mg

Secretary

August 16, 1937

Mr. W. C. Beebe
Bay Minette, Ala.

Dear Mr. Beebe:

Good This will introduce to you Mr. ~~Cook~~, a representative of the oil interests, who proposed to make an exploration survey here, and with whom we discussed with you the matter of entering into an oil lease contract.

Mr. Good believes that it would be best to work out the specific terms of the lease at this time so that it can be attached to the survey agreement and has agreed to defray the legal expenses. He has with him a draft of a proposed contract containing riders from A to N which we have discussed.

Our Corporation council meets tonight and it seems to me that it would be well for you to bring such lease contract that you may approve before us. We will expect you to review, criticize and alter any part of the printed lease or riders attached thereto, which you deem to be inadequate or inimical to our best interests.

Very truly yours,

Secretary

Dec. 7, 1937.

Mr. W. C. Beebe,
Bay Minette, Ala.,

Dear Mr. Beebe:

I have searched my office and en-
quired both at the Bank and the Town office
and am able to find no trace of your copy
of the Federal Income Tax Law, to which was
attached the letter from Harwell C. Davis.
I have also written to Mr. Brock to see if
it could possibly be in his file and he re-
plies that it is not.

My recollection is that you came
here for a conference on the matter, that
the conference took place in our treasurer's
office and that when you left you took the
law with you. I shall continue to keep on
the lookout for it but am afraid it is not
here.

Very truly yours,

Secretary.

BEEBE, HALL & BEEBE
LAWYERS
BAY MINETTE, ALABAMA

W. C. BEEBE
H. M. HALL
J. P. BEEBE

March 13, 1937.

Fairhope Single Tax Corporation,
Fairhope, Alabama.

Gentlemen:-

Enclosed find copy of letter received from the
State Tax Commission in reply to our letter of the 9th in
regard to tax exemption.

Please send me another copy of your Constitution
and By-Laws.

Yours very truly,

A. C. Beebe.

WCB/T
Enc.

COPY

THE STATE TAX COMMISSION
Montgomery

March 12, 1937

Mr. W. C. Beebe
Beebe, Hall and Beebe
Bay Minette, Alabama

Dear Sir: In re: The Fairhope Single Tax
 Corporation

Receipt is acknowledged of your letter dated March 9, 1937, submitted as an application for exemption from State taxes, including, as we understand it, income taxes.

In view of the rush with current tax payments, we are unable to give the application final consideration, at this time. We are, therefore, granting an extension of thirty days until April 15 in which to file corporation income tax return. In the meantime, you will be advised further in regard to the application.

Yours very truly,

THE STATE TAX COMMISSION

By E. O. Holliman, Chief Clerk
Income Tax Department

JAS:gc

Feb. 25, 1938

Mr. Wm. C. Beebe
Bay Minette, Ala.

Dear Sir:

At the request of Mr. Bloxham, we are writing you relative to the property on the northeast corner of Fairhope Avenue and Church Street in Fairhope, Ala., which your clients, the Standard Oil Company, are contemplating purchasing through Mr. Bloxham.

Kindly be advised that title to the land remains in the name of the Fairhope Single Tax Corporation and a lease for 99 years is held by the lessee and owner of the improvements.

That the annual rent for the years of 1930 to 1933 inclusive, was \$121.50 per year. That for the year 1934 there was both a local and general reduction reducing the rent to \$104.06 and in 1935 same was reduced to \$90.67, this reduction being due to the corner influence being removed, because of the property being used for dwelling purposes. During the years 1936, 1937 and 1938 one half of the paving costs was added to the rental of this property, as on all others, increasing the annual rent to \$94.70. The other half of this paving having been entirely assumed by the Single Tax Corporation.

It is a fixed policy of the Single Tax Corporation to accept, in lieu of cash, State and County tax receipts received from the payment of such taxes on the improvements and contents therein, situated on land leased from them, which policy will continue regardless of the ownership of the lease. It is further the policy of the Corporation to issue a new 99 year lease each time a new owner comes into possession of the improvements.

We trust that the above is the necessary information needed by you to make clear to your client, our policies pertaining to them and all others leasing our land.

Very truly yours,

Secretary

FAIRHOPE SINGLE TAX CORPORATION

ADMINISTERING

Fairhope Single Tax Colony

ESTABLISHED 1895

FAIRHOPE, ALABAMA

February 23, 1938

Mr. W. C. Beebe
Bay Minette, Alabama

Dear Sir:

At the request of Mr. Bloxham, we are writing you relative to the property on the northeast corner of Fairhope Avenue and Church Street in Fairhope, Alabama, which your clients, the Standard Oil Company, are contemplating purchasing through Mr. Bloxham.

Kindly be advised that ^{title to the land} ~~this real property~~ remains in the name of the Fairhope Single Tax Corporation and is ~~under~~ ^{and} lease for 99 years. ~~is held by the lessor and none of the improvements.~~

That the annual rent for the years of 1930 to 1933 inclusive, was \$121.⁵² per year. That for the years 1934, and 1935 same was reduced to \$90.⁶⁷, this reduction being due to the corner influence being removed, because of the property being used for dwelling purposes. During the years 1936, and 1937, ^{and 1938} one half of the paving costs was added to the rental of this property, as on all others, increasing the annual rent to \$94.⁷⁰. The other half of this paving having been entirely assumed by the Single Tax Corporation. ~~The 1938 rent, including the paving assessment has been fixed at \$94.70.~~

It is a fixed policy of the Single Tax Corporation to accept, in lieu of cash, State and County tax receipts received from the payment of such taxes on the improvements and contents therein, situated on land leased from them, which policy will continue regardless of the ownership of the lease. It is further the policy of the Corporation to issue a new 99 year lease each time a new owner comes into possession of the improvements.

We trust that the above is the necessary information needed by you to make ~~it~~ clear to your client, our policies pertaining to them and all others leasing our land.

Very truly yours,

FAIRHOPE SINGLE TAX CORPORATION

by

*There was both a local and general M -
directive reducing the rent to \$104.06*

Sept. 1, 1939.

Mr. W. C. Beebe,
Bay Minette, Ala.,

Dear Mr. Beebe:-

Our lessee, Mr. W. H. Burneister, sought to secure a loan from the Bay Minette National Farm Loan Association, which, as I understand, is under the jurisdiction of The Federal Land Bank of New Orleans. He was informed that a loan could not be made on his improvements on leased land and I went to Bay Minette with him to see Mr. R. D. Hooks, Jr., to see if there was anything that could be done about it.

At first he seemed to think there was nothing that could be done unless the Single Tax Corporation would give Mr. Burneister a fee simple title. However when I gave him a clearer understanding of our set-up he appeared to be impressed and suggested that we consult our lawyer and have him communicate with Mr. Ed Steiner, Chief Counsel for The New Orleans Federal Land Bank.

I have taken the matter up with the Executive Council and they instructed me to write to you and see if you could give some idea of the probable cost of attending to this matter for us. Mr. Hooks appeared to be of the opinion there was a possibility of getting loans approved without amending the law but by having them approved by the legal department in Washington.

Will you please ~~to~~ consider this matter at your earliest convenience and let me hear from you.

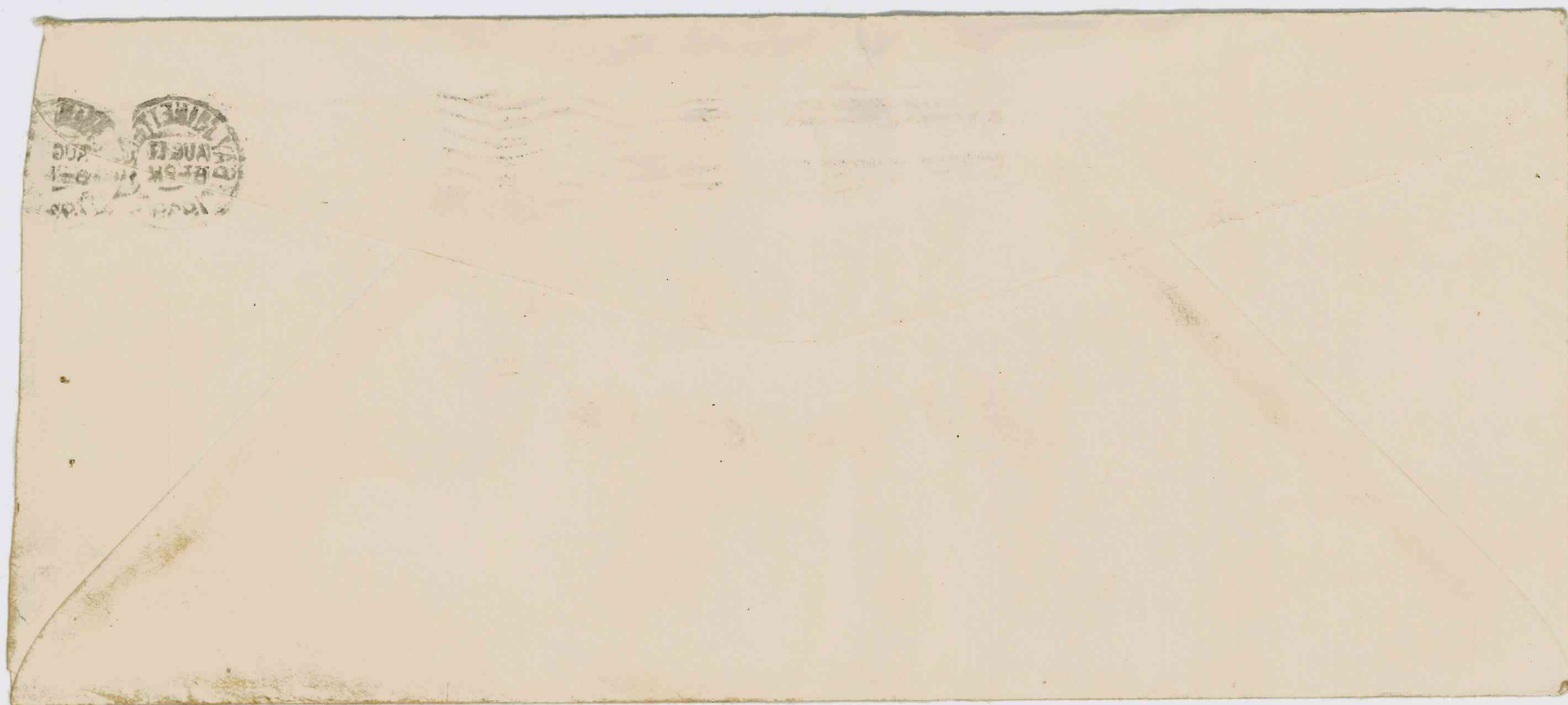
Very truly yours,

Secretary.

After Five Days Return To
NATIONAL FARM LOAN ASSOCIATIONS
Bay Minette, Alabama



Mr. W. H. Burmeister,
Fairhope, Alabama.



After Five Days Return to

Fairhope Single Tax Corporation

The "Single Tax Colony"

FAIRHOPE, ALABAMA

Wm. P. P. P.
Wallace

Mr. Ed. Steiner
Legal Counsel
Fairhope Land Bank
N. O.



THE PROGRESSIVE NATIONAL FARM LOAN ASSOCIATION
THE BAY MINETTE NATIONAL FARM LOAN ASSOCIATION
THE CITRONELLE NATIONAL FARM LOAN ASSOCIATION
THE GRAND BAY NATIONAL FARM LOAN ASSOCIATION
THE MAGNOLIA NATIONAL FARM LOAN ASSOCIATION
THE MOBILE NATIONAL FARM LOAN ASSOCIATION



BAY MINETTE, ALABAMA

FARM MORTGAGE LOANS THROUGH
THE FEDERAL LAND BANK OF NEW ORLEANS

LAND BANK COMMISSIONER LOANS

August 17, 1939

Mr. W. H. Burmeister,
Fairhope, Alabama.

Dear Sir:

In accordance with your request, I wrote the Federal Land Bank asking information as to whether or not you were eligible for a loan. They have advised me as follows:

"Unless Mr. W. H. Burmeister of Fairhope is in a position to offer the bank a fee simple lien on sufficient property that in itself would form a complete farm unit, we do not feel that we are in a position to offer him any assistance in the form of a loan. It is my impression that the Single Tax Colony at Fairhope retained actual title to the property of its members, and if this be true, it would appear that such would preclude our offering this party a loan."

Very truly yours,

R. D. Hooks, Jr.
R. D. Hooks, Jr.,
Secretary-Treasurer.

RDH/jw

May 23, 1939.

Mr. W. C. Beebe,
Bay Minette, Ala.,

Dear Mr. Beebe:-

For some time our council has considered the desirability developing a plan we could make available to our aged lessee members which would improve their economic status. We felt that we would be barred both by our charter and our constitution from extending any charitable aid so I have worked out a plan which appears to me to be a simple business deal and which I believe would be well within our rights under our constitution and charter.

I enclose a copy of a resolution I have prepared and which the council favors but felt we should have some legal advice before adopting it. Also I have drawn the outline of a plan for a contract which we will want your help in drawing up. I believe you are acquainted with the law under which we are chartered and I am enclosing a copy of our constitution and also of the lease.

We will not meet again before Thursday, June 1st at which time we would like, if it appears to be within our power to adopt the resolution and if possible the draft of a contract. Perhaps you will be down this way before then and we can have an opportunity to talk it over. I feel it would be helpful to discuss the matter before the final drafting of a contract.

I have had some correspondence with Mr. Brock concerning the financial aspects of the plan and he says it appears to him to be alright from that angle. I shall be glad to hear from you as soon as you have had an opportunity to consider the matter. With sincere best wishes I am,

Very truly yours,

Secretary.

Sept. 20, 1939.

Mr. W. C. Beebe,
Bay Minette, Ala.,

Dear Mr. Beebe:-

I am just writing to remind you of my previous letter concerning the matter of leaseholders securing loans from the Federal Land Bank. Please look up my letter and let me hear from you.

I am particularly interested in knowing how long it might take to find out something. If it is going to take too long our lessee wants to start now to make other arrangements.

Very truly yours,

Secretary

P. S. If you are acquainted with the Federal Housing Administration law how do you think we could line up to enable our lessees to secure loans insurable by the Administration?

W. C. BEEBE
H. M. HALL
J. P. BEEBE

BEEBE, HALL & BEEBE
LAWYERS
BAY MINETTE, ALABAMA

June 27, 1940.

Fairhope Single Tax Corporation,
Fairhope, Alabama.

ATTENTION MR. GASTON.

Dear Sir:-

I have your letter with reference to conveyance of school property to the town. I will come down there first opportunity next week and go into the matter with you and with the other interested parties.

Yours very truly,

W C Beebe

WCB/T

May 5, 1941.

Mr. W. C. Beebe,
Bay Minette, Alabama,

Dear Mr. Beebe:

The lands to which the Fairhope Single Tax Corporation proposes to give the Town of Fairhope right-ofway deeds are described as follows to-wit:

The west ten (10) feet of Blocks One (1), Two (2), Three (3), Four (4), Five (5) and the west ten (10) feet of the north Two Hundred Twenty-Three (223) feet of Block Six (6), Division Four (4), of the lands of the Fairhope Single Tax Corporation as per its plat thereof filed for record Sept. 13, 1911.

The land to be deeded by Arthur R. Rockwell and Clara D. Rockwell, his wife, is described as to-wit:

Lot Twenty-Four, Block Twelve, all being according to the map of Volanta, Alabama, recorded in Miscellaneous Book No: 1, Page 341, signed by Theo. Widell, Surveyor, April 27th, 1914, Land is situated in Section 37, Township 6 South of Range 2 East, Baldwin County.

The land to be deeded by Howard Ruge and Esther Ruge, his wife is described as:

Lot One, Block Twelve and Lot Twenty-Eight, Block Fifteen, etc., etc., as for Rockwell.

I am sorry to have delayed so long but hope you'll have time to bring these Monday.

Very truly yours,

July 8, 1941.

Mr. W. C. Beebe,
Bay Minette, Alabama,

Dear Mr. Beebe:

Find enclosed the deeds of Rockwell, Fuge
and the Fairhope Single Tax Corporation for right
of way for Section Street which I was to forward to
you to have recorded for the Town.

Very truly yours,

Secretary.

COPY

October 31, 1944

Mr. W. C. Beebe
Bay Minette, Alabama

Re: Block "A"

Dear Beebe:

Some of us have discussed the situation at Fly Creek and feel that an error may have been made in not considering the balance of Block "A" inasmuch as it has come to us that the appraisors valued the entire strip at about \$1650.00, although I have not verified this.

The question is whether we would be legally justified in condemning the remaining property, unless we could substantiate the claim that such land is actually needed, under the circumstances?

If our plans materialize, and a good sized boat harbor is dredged out, nothing will be left the public, except the knowledge that they enhanced the value of the adjacent property, with nothing left for them except the right to enter the creek, which right they now have.

Your advice on this will be appreciated.

Yours very truly

Howard Ruge

HR/tl

W. C. BEEBE
LAWYER
BAY MINETTE, ALABAMA

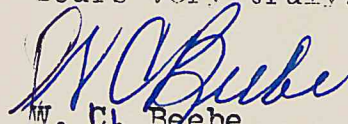
October 23, 1946

Dr. C. A. Gaston,
Fairhope, Alabama.

Dear Corny:

Enclosed herewith is copy of Act of the 1945 Legislature, relating to the power of a minor to contract a loan under the serviceman's readjustment act of 1944. This does not relieve him of other contracts. This is possible however, that the loan would construe that rental thereon be binding. This, however, is undetermined under the language of this act.

Yours very truly,


W. C. Beebe

WCB/ea

AN ACT

To empower veterans who are minors to make valid contracts, and loans pursuant to An Act of Congress entitled the "Servicemen's Readjustment Act of 1944".

Be it Enacted by the Legislature of Alabama:

Section 1: Any veteran, eligible for a loan pursuant to the "Servicemen's Readjustment Act of 1944" or any amendments thereto, or under any similar federal or state acts, who may be a minor, is hereby empowered with his or her spouse, if any, who may be a minor, to contract liability in this State for repayment of a loan or loans pursuant to said acts: Provided, however, and notwithstanding any contrary provision of law, such veteran or his or her spouse shall not void any such contracts because of his or her age, nor shall such veteran or his or her spouse hereafter interpose the defense in any action arising out of any loan pursuant to such acts that he or she were minors at the time of executing such contracts.

Section 2; This Act shall take effect immediately upon its passage and approval by the Governor.

Approved June 16, 1945.

W. C. BEEBE
LAWYER
BAY MINETTE, ALABAMA

February 27, 1947

Dr. C. A. Gaston
Fairhope, Alabama

Dear Dr. Gaston:

Under separate cover I am mailing you a copy of the Revenue Survey Committee's report. Dr. Paul Alyea, whom we used as research director, spent a large part of his youth in Fairhope. As you read this report you will see the discoloration of his views, the product of his Fairhope contacts. The members of the committee, being practical men, were constantly on guard against permitting him to substitute Henry George's "Progress and Poverty" for its report. He was bent and determined on shifting the tax on personal property to real property. A majority of the committee held out against him until the last meeting. Then, I will be durned, if two of them didn't desert me and go over to his side. This left me alone, high and dry, and you will note the committee unanimously recommended that this be done.

Knowing your deep interest in taxation, I am sending you this report and am sure you will find it interesting. It is not a compliment to say one would be interested in a tax survey report. For no one who is not cracked could find interest in such dry reading.

Your friend,


W. C. Beebe.

WCB/n

July 11, 1947

Mr. W. C. Beebe
Bay Minette, Alabama

Dear Mr. Beebe:

The Executive Council of our corporation has authorized an easement to Baldwin County over a portion of its lands described as the northwest quarter (NW $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 16, Township 6 South, Range 2 East to be used in the grading and draining of Greeno Road. The corporation hopes it will not be necessary to use more than 8 feet in addition to the 25 feet which is presently used and deeded to the County Dec. 27, 1915. It is intended that the easement ~~be~~ for drainage include a ditch extending along a natural drain across the southwest corner from a point on the east side of Greeno Road to the north side of Morphy Avenue, the east and west street parallel with and a quarter of a mile south of Fairhope Avenue. While our corporation does not want any payment for the easement it wants to provide that its granting of the easement is without prejudice to any claim for damage to personal property that may be made by its lessees as provided in paragraph (9) of its lease contract. If only the 8 feet is used and the County moves the fences it is not anticipated there will be any damage but one of the lessees involved is not a resident and he might make a claim that could be justified and in that case we would want the County to reimburse our costs.

The Executive Council also voted to deed to the Town of Fairhope the West 10 feet of Block 7, Division 4 of its lands as per its plat thereof filed for record Sept. 13, 1911 to be added to the existing right-of-way for Section Street. If you will prepare these instruments and mail them to me I will arrange for their execution.

Very truly yours,

W. C. BEEBE
LAWYER
BAY MINETTE, ALABAMA

August 27, 1947

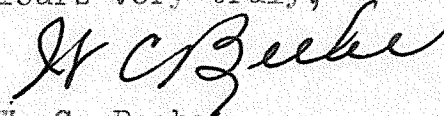
Dr. C. A. Gaston
Fairhope, Alabama

Dear Dr. Gaston:

The deed from Sarah I. Tatum to Fairhope Industrial Association recorded in Book T, page 689, definitely describes and includes that portion of Section 18, lying in the Northeast corner, triangular shape, north and east of Bayou Charbon.

The Dunlap deed does not embrace this land. If you will forward me a proper description I will draft a deed from the Colony to the Town.

Yours very truly,



W. C. Beebe

WCB:k

W. C. BEEBE
LAWYER
BAY MINETTE, ALABAMA

August 27, 1947

Dr. C. A. Gaston
Fairhope, Alabama

Dear Dr. Gaston:

Your letter of the 11th with reference to right of way over the Northwest quarter of the Southwest quarter of Section 16, Township 6 South, Range 2 East, escaped my attention by virtue of the fact I was having to be in Montgomery considerable portion of the week at the time this letter came to my desk.

Please advise whether you wish me to draw the papers requested in your letter.

Yours very truly,


W. C. Beebe

WCB:k

August 29, 1947

Mr. W. C. Beebe
Bay Minette, Ala.

Dear Mr. Beebe:

The enclosed sketch shows part of the lands of Division 4, Section 17, and Division 3, Section 18, containing lands deeded to the Town of Fairhope for park. These lands are described in the Corporation's deed, recorded in Deed Book 51 NS, pages 285-286.

The description in the deed is as follows:

In Division Three and Four, bounded as follows: Beginning at a point 33 ft. north of the northeast corner of Block 6, Div. 3, thence south to the southeast corner of Block 6; thence east 193 ft; thence north 250 ft; thence north 34 deg. east 213 ft. to present cemetery fence; thence north 300 ft.; thence north 18 deg. east 97 ft.; thence south 38 deg. east 635 ft., following present cemetery fence and to west line of Section Street; thence across Section St. south 47 deg. east 100 ft. more or less to the northwest corner of Block 1, Div. Four; thence south 47 deg. east 155 ft.; thence south 76½ deg east 410 ft.; thence south 14 deg. east 144 ft to south line of Oak St.; thence south 32 degrees east 103 ft.; thence south 175 ft. to southeast corner of Block 15 on Pine Street; thence east 296 ft.; thence south 15 ft.; thence south 47½ deg. east 250 ft.; thence north 81½ deg. east 116½ ft.; thence south 73 deg. east 142½ ft.; thence south 30 deg. east, 536 ft.; thence south 79 deg. east 179 ft.; thence south 53½ deg. east, 342 ft.; thence south 39½ deg. east 321 ft.; to the north margin of Fairhope Avenue; thence east 100 ft. to the boundary line of grantor in Bayou Charbon; thence following the boundary of the grantor's land in Bayou Charbon, northwesterly to the north line of fractional section 18, as surveyed by Silas Dinsmoor, U. S. Deputy Surveyor, in the year 1820; thence west 364 ft. to point of beginning; containing 29.9 acres.

The traverse appearing in Div. 4 as shown in the sketch is presumed to be "The boundary of Grantor's Land in Bayou Charbon," as recited in the deed description.

COPY

You will note, however, that this traverse continues across the boundary between Sections 17 and 18, to the north boundary of Section 18 at a point which I have presumed to be the "364' E. of beginning point" of the above description of Park Lands. If this traverse line in Section 18 may be considered the north line of Park Lands in Division 3 deeded to the Town of Fairhope, then the land lying to the north in the northeast corner of Section 18 remains the property of the Fairhope Single Tax Corporation, unless some other has established lawful title to the same.

I believe you will find the traverse line in Section 18 to be substantially the same as the southwesterly boundary of lands assessed by Lee Parker and shown in Plat Book in the Assessor's Office.

I feel that every effort should be made to secure Title to the Town of Fairhope in these lands. It further seems to me that the Fairhope Single Tax Corporation's assessment of its lands in Division 3 may be interpreted as including the land in question.

c: Howard Ruge

Very truly yours,

Secretary

COPY

August 29, 1947

Mr. W. C. Beebe
Bay Minette, Ala.

Dear Mr. Beebe:

Thank you for your letter of August 27 concerning easement or right of way over the northwest quarter (nw $\frac{1}{4}$) of the southwest quarter (SW $\frac{1}{4}$) of Section 1~~6~~ in favor of Baldwin County. It would, however, appear there is no necessity for such easement just at present.

Except for clearing of waterway across this land, done with the full consent of our corporation and its lessee to such land, The County is making no present use of the land proposed to be included in this right of way deed.

Very truly yours,

Secretary

COPY

Sept. 26, 1947

Mr. W. C. Beebe
Bay Minette, Alabama

Dear Mr. Beebe:

In June our corporation was asked by the Town of Fairhope for a deed to the West ten feet of our Block 7, Division 4 to be used to widen Section Street, the Town agreeing to reimburse us for any payment we were obliged to make to lessees for improvements on the land.

The request was approved by our council and the cost has amounted to \$40.00. If you will prepare a deed to the Town and mail it to me I will attend to its execution.

With reference to additional tax proposed to be levied by the Town, comment from citizens has so far been negligible and it would appear there may be no objection to accomplishing the levy together with the other taxes at our first meeting in October.

It occurs to me that prior to that meeting a considerable number of car owners will have paid the 1947 tax on their cars and payment will be made at the 10 mill rate. So far as I am personally concerned I would like to see the car owners escape the additional tax since charges on car owners is quite heavy as it is. I believe sentiment in the council would be in favor of the exemption if it can be accomplished either by ordinance provision or omittance of direction to the Assessor. What do you think of that?

Very truly yours,

Secretary

c/o
Mayor Howard Ruge

COPY

HOWARD RUGE, Mayor

R. C. YOHN, Clerk

THERESA CREAMER, Assistant Clerk

ALDERMEN:

W. O. Keeble

J. H. Bennett

C. A. Gaston

H. P. Kamper

J. O. Stimpson

TOWN OF FAIRHOPE

Phone 4791

Fairhope, Alabama

'ON MOBILE BAY'

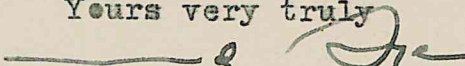
June 25, 1947.

Fairhope Single Tax Corp.
City.

Gentlemen:

In accordance with a motion by the Town Council, at its meeting of June 24th., 1947, it is respectfully requested that your corporation consider deeding the West ten feet of Block seven, Division four, to the Town, for the purpose of widening Section Street, with the agreement that the Town will reimburse your corporation in such amount as is considered fair damages for such improvements of your lessees as may be involved, etc.

Yours very truly



Howard Ruge, Mayor

*Approved by the Executive Council
July 7, 1947*

C. A. Gaston, Sec.

W. C. BEEBE
LAWYER
BAY MINETTE, ALABAMA

September 27, 1949

Fairhope Single Tax Corporation
Fairhope, Alabama

Attention: Dr. Gaston

Dear Sir:

Will you please give me the names of
all persons who have been renters of the
following described property:

Lots 4 and 5, Block 7, Division 4;
East 21 feet 8 inches of lot 4 and
west 31 feet 4 inches (except East
23 feet of South 110 feet thereof)
of Lot 5, Block 12, Division 1.

This is desired in order that I may
make a complete record search to determine
whether or not there is anything of record
adversely affecting the title to the improve-
ments on these lots.

Yours truly,


W. C. Beebe

WCB.mb

Mr. Vytas F. Beliajus
J. C. R. S. Sanitorium
Spivak, Colorado, U.S.A.

THIS SIDE OF CARD IS FOR ADDRESS



Dr. C. d. Gaston
Fairhope, Ala.

GREETINGS: —

WOULD IT BE POSSIBLE TO SEND ME ALL INFO
ON THE SINGLE TAX BACKGROUND OF FAIRHOPE AND
ITS WORKINGS. ONE PERSON HERE DESIRES TO
INCORPORATE IT IN HIS ARTICLE ON SINGLE TAX.
I'LL BE MOST GRATEFUL. HOW ARE YOU ALL? HOW'S
PAUL? I'M FINE & SCHEDULED FOR DISCHARGE
ON APRIL 3. I COULD LEAVE NOW BUT DON'T
WANT TO RETURN TO CHICAGO DURING WINTER.
MY VERY WARMEST TO ALL OF YOU FIN,

Feb. 14, 1953

Mr. Vytas F. Beliajus
J. C. R. S. Sanitorium
Spivak, Colorado

Dear Fin:

I am sorry to have delayed in getting off to you the material requested in your post card of Jan. 20. It arrived at a time when I was busy with the preparation of my annual report and was laid aside, just now again coming to light. I fear it may be too late but possibly you can make some use of the material sent under separate cover.

In the Alabama Local Government Journal you will find my brief article on the Fairhope Colony on pages 14 and 15. In the second column on page 15 you will note that I have marked a transposition of lines. The Colony continues to grow and the principle to produce the results that were anticipated by the founders.

We are gratified to learn that you are getting along so well and commend you for your caution, delaying your return to Chicago until warmer weather there. We are all well and reports from Paul and Mary are good. Margaret plans to go over and join them in France the latter part of July. Present plans are for a visit to Holland and Denmark as well as France and England at the home of Mary's parents on the Channel. Our very best wishes to you always.

Sincerely yours,

Secretary

Neccet A. Bengi -
Ministry of Hygiene
Ankara, Turkey

→ School of Hygiene

$$\begin{array}{r} 2) 49.28 \\ 24.44 \\ \hline 14.84 \end{array}$$

$$\begin{array}{r} 24.64 \\ 24.86 \\ \hline 29.50 \end{array}$$

$$\begin{array}{r} 45.85 \\ 26.07 \\ \hline 19.78 \end{array}$$

$$\begin{array}{r} 1.71 \\ 3.15 \\ \hline 4.86 \end{array}$$

$$\begin{array}{r} 42.35 \\ 26.37 \\ \hline 15.97 \end{array}$$

$$\begin{array}{r} 22.31 \\ 22.62 \\ \hline 44.93 \end{array}$$

July 7, 1945

Dear Mrs. Bennett:

The enclosed is hastily gathered together in response to your request. I'm afraid your topic is not very well covered. I wonder if you thought to write to Otto Brown for such agricultural and horticultural information as he might have available.

I am sure you and Mr. Bennett are having a stimulating summer and we'll be glad to hear about it on your return. If you can think of any further help I can give please write me.

Sincerely yours,

Secretary.

University, Ala.
Box 752

My dear Dr. Gaston,

We are having a delightful and profitable time here but we definitely miss Fairhope — climate and otherwise.

I am writing a brief history of Fairhope and vicinity, its resources, opportunities and so forth and I wondered if you had any material I could use. I did not know that this particular project would emerge when I came, so brought nothing with me. I would like some material

on the Single Tax also as we
cannot think of Fairhope
without thinking of Single
Tax. I have written Mrs.
Crawford for what she
might have.

I hope this will not
be too much trouble as
it will be of great assist-
ance to me.

Give my regards to
your family,

Sincerely,

Amelia B. Bennett

Feb. 1, 1938

Prof. J. H. Bennett
Public High School,
Fairhope, Ala.

Dear Prof. Bennett:

We have had some complaints from lessees whose leaseholds adjoin the athletic field which the school is being permitted to use by this corporation.

The complaints are that the boys are damaging property by climbing fences and striking out buildings with base balls or footballs.

Will you kindly caution them against any abuses of their privileges and admonish them to be more considerate of rights, property and otherwise of our lessees?

Very truly yours,

Secretary

CAG/mg

FAIRHOPE SINGLE TAX CORPORATION

ADMINISTERING

Fairhope Single Tax Colony

ESTABLISHED 1895

FAIRHOPE, ALABAMA

Feb. 10, 1939.

Mrs. Margaret W. Benson,
Bay Minette, Alabama,

Dear Mrs. Benson:-

I enclose herewith a deed which you may execute and deliver to us and upon its receipt Mrs. Call informs me that she will have executed the lease to the Cemetery lots, which it is my understanding we are to give in return therefor.

Should the form I have supplied not be in accordance with the facts of the case I believe it would be alright for you to use the form in which the deed to you was executed and changing the names of the parties thereto accordingly.

You will note that it is necessary to have the deed notarized. It is not valid for recording without this. In sending our deed to us you will please also send your deed and tax receipt for the 1938 tax if the same has been paid and if not I will appreciate your paying it and sending the receipt or if it is your understanding that we were to pay it send the bill.

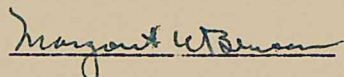
When I was in Bay Minette recently I assessed the property in our name for the 1939 taxes and at that time you had not assessed.

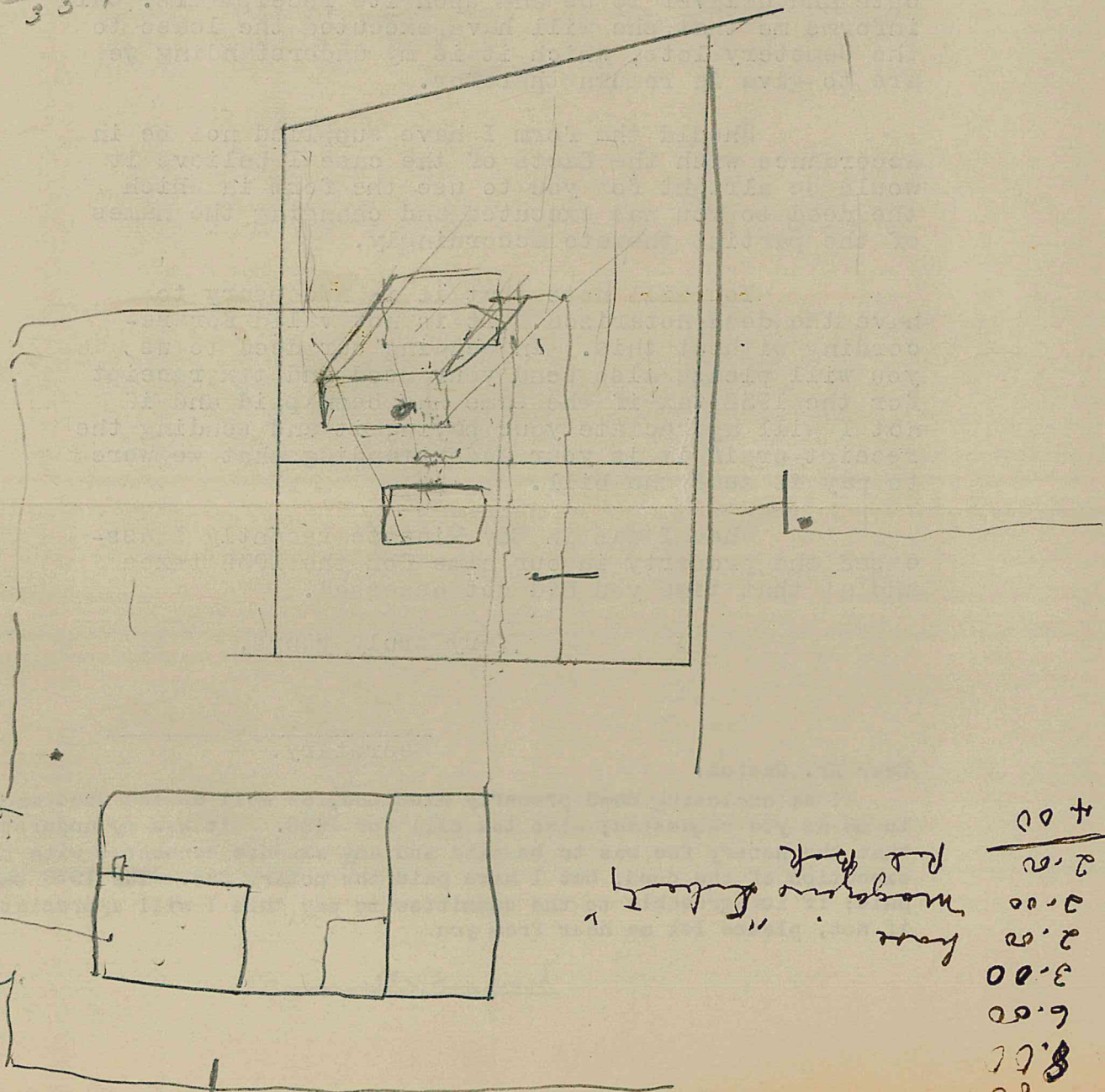
Very truly yours,


Secretary.

Dear Mr. Gaston:

I am enclosing deed properly executed, as well as the deed made out to me as you requested; also tax bill for 1938. It was my understanding that the notary fee was to be paid and any expense connected with the execution of the deed, but I have paid the notary fee. The 1938 tax is not paid; if its agreeable to the committee to pay this I will appreciate it, if not, please let me hear from you



$$\begin{array}{r} 14.00 \\ 19.51 \\ 4.00 \\ \hline 37.51 \end{array}$$
$$\begin{array}{r} 534.45 \\ 127.51 \\ \hline 398.94 \end{array}$$
$$\begin{array}{r} 257 \\ 92 \\ \hline 359 \end{array}$$


8.00
6.00
3.00
2.00
2.00
2.00
2.00
<hr/> 24.00

have
Maggie's "Baby"
put back

Feb. 10, 1939.

Mrs. Margaret W. Benson,
Bay Minette, Alabama.

Dear Mrs. Benson:-

I enclose herewith a deed which you may execute and deliver to us and upon its receipt Mrs. Call informs me that she will have executed the lease to the Cemetery lots, which it is my understanding we are to give in return therefor.

Should the form I have supplied not be in accordance with the facts of the case I believe it would be alright for you to use the form in which the deed to you was executed and changing the names of the parties thereto accordingly.

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When I was in Bay Minette recently I assessed the property in our name for the 1939 taxes and at that time you had not assessed.

Very truly yours,

Secretary.

Aug. 24, 1938.

Mrs. Paul Benson,
Bay Minette, Ala.,

Dear Mrs. Benson:-

I have no jurisdiction over the policies, other than financial, of the School. However, when all the teachers involved are back in Fairhope I shall be glad to acquaint them with what you have said so that anything new you may have brought out may be given due consideration.

I shall, as I have always been, be opposed to furnishing any report so long as there is an unpaid account. We have had some considerable experience in this matter and with people, who I am sure, had no intention to beat the school out of an honest debt but so far they have just never gotten around to paying it, and, some of them, I feel sure, have now forgotten all about it.

I shall let you hear from me as soon as I am able to make a report.

Very truly yours,

Bay Minette, Alabama,
August 19, 1938.

Dr. C. A. Gaston,
Fairhope,
Alabama.

Dear Dr. Gaston:

I am taking the liberty of writing you because it has been impossible for me to get to see you as I have been spending the greater part of my time here in Bay Minette until I complete the present work. This is a very important matter to me and I wished to take it up with you because I have known you to be fair and you have a keen sense of right. Mr. Alexander and Mr. Nichols were so rather old-foggyish that I could not understand their seemingly petty remarks.

Betty attended Organic School from around the 1st of January to about May 1st when she had to stay out because of cutting two wisdom teeth. I expected at the time it would be only a few days or a week but when I went over to the school to bring one of her books home that she wanted to study while out, Mr. Alexander and Mr. Nichols were so very insulting that I decided in such an atmosphere she would not gain much attending school. Mr. Alexander made the remark that Betty always looked so tired; she naturally would, when she grew about 8 inches in one year, and it took quite a lot of her energy trying to please so many conflicting dispositions in the room, which, to me, is about the worse thing for one's health. But since she got over the streptococci sore throat she is coming out fine.

I don't know what Mr. Alexander and Mr. Nichols had on their mind, but I do know this, that my daughter and myself have nothing to hide and are beyond reproach so far as morals are concerned and Betty has not a foolish thought in her head and is not going to take the brunt for what some other mother's girl did.

For the time she lost from May 1st to June 15th she made up during the six weeks term of summer school at Murphy High. Mr. Alexander says he refuses to admit she attended school for four months, erasing whatever work or time she put in during that period. What I would ask, Dr. Gaston, if you will please see if you can have the enclosed statement filled out showing what subjects she did take during the four months and how much time was devoted

TO WHOM IT MAY CONCERN:

Miss Betty Benson attended
the School of Organic Education, Fairhope, Ala. for the follow-
ing period and took the subjects as listed below:

Subject	Length of time studied	No. recite per week	Lgth. periods	Scholar ship mark	Credit

Signed _____

to each subject each day. When she started in January Mr. Alexander said he would allow her some credit for studying algebra at home, which she did very faithfully (Mrs. Bishop will corroborate this, as we stayed there during the time). When I talked to Mr. Alexander about it he said he didn't care how good she was at algebra he just wasn't going to have her stay out of school. That's ridiculous, he can't do that; he can show her inattendance but he can't refuse to say that she did attend for so many months and what subjects she took. I am not asking the school to allow a full credit for each semester but I would like the time given to each subject and the list of subjects taken. I understand she had algebra, history, science, English, dancing, shop and arts and crafts. I am just recalling this, as Betty is in Pensacola at present.

I received a bill for \$7.00 incidental fee from Jan. to June. I expect to pay but I did nothing about it for the time being. While in Mrs. Frederick's office one day Mrs. Johnson said to Mrs. Fredericks, "did she pay?" When she heard I hadn't she said, that "we" (the board, I guess) decided to make an example of Betty." I'd like to know what she meant by that; if she meant, because I hadn't paid I think it's pretty small to be so petty; if she meant something else well there is something yet to be said.

I do not consider paying my debts a hopeless matter; I recently took a civil service examination for a good paying position, it will be at least two months before I am assigned but I do not expect to dodge anything I justly owe, and never was averse to helping along any organization that is run with fairness and justice to all.

If you can have this made up for me I will greatly appreciate it and would feel it was only right to pay you for the time it would take to get it.

Very sincerely yours,

(Mrs.) Margaret W. Benson

Oct. 29, 1937

Mrs. Margaret W. Benson
7443 South Shore Drive
Chicago, Ill.

Dear Mrs. Benson:

First let me apologize for the long delay in answering your letter.

The impressions I gained from your work with the A.C.I. were such as to recommend your ability to me. I fully appreciate that it was impossible to please everybody and concede that you were working to your own best interests in attempting, first, to please the Montgomery office. I do not consider this a discredit to you, though I must confess that it did not give our local group the best of feeling toward you.

However, that is all by the board now and I should have no hesitancy in giving you a good recommendation should I be asked. I regret that I do not see any possibility of your securing any work at the school. The school is hard pressed financially and both Mrs. Frederick and Mrs. Fraser are working there.

I hope it will be possible for you to come back and let Betty go to school here and if I can assist you in any way in getting a position, I will be glad to do so.

Very truly yours,

Chicago, Illinois,
September 23rd, 1937.

Dr. C. A. Gaston,
Fairhope,
Alabama.

Dear Dr. Gaston:

I have received word from Mr. Delpey that the A. C. I. plant is partly sold and it will be only a matter of a few weeks before matters will be definitely settled.

I trust you won't mind my trespassing on your time, but I hope you realize what prompts me to bring up the matter of much small talk concerning me, which you may or may not have heard, but which has come back to me through rumors of authentic source, that I, like many other decent person in Fairhope, have been on the rack.

Dr. Gaston, I have credentials that couldn't be better, have fine recommendations of pleasing and trying to do honestly and impartially that for which I was hired. There are a few parties, I am aware of, who were prejudiced against me from the beginning, even before my work in Fairhope and set out to squelch me. A man in your position in the town can understand how things of that nature are, that "you can't please all of the people all of the time."

My purpose in writing is to ask you to kindly say a good word for me if I should be inquired about in regard to a position in Fairhope or Baldwin County as I am trying to locate something there. There are a number of reasons why we want to remain in Baldwin, health is important, but not least.

If you know of anything in the line of book-keeper or stenographer, I should give the best in ability, willingness and any other requirements.

Betty loves the Organic School and I must give her future serious thought. I am hoping she can get back soon and remain in the school until she finishes. Do you think there would be anything I could do at the school?

I hope you won't mind my coming in on you like this, and shall be grateful for any assistance you may give me.

Very truly yours,

(Mrs.) Margaret W. Benson

7443 South Shore Drive

July 29, 1938.

Mr. Wm. B. Bernhardt,
Fairhope, Ala.,

Dear Bill:-

As you probably know we have recently re-surveyed the line between our property and the Allen property. We now desire to move the party fence on the west of the Marvin Nichols leasehold so that it will be on the line.

I am informed that the wire on this fence belongs to you and I wish to know if we have your permission to use it on the rebuilt fence. Please let me know as early as convenient so that we can plan accordingly.

Very truly yours,

Secretary.

Mch. 5, 1945

Miss Donelda Bertagnolli
Loxley, Alabama

Dear Miss Bertagnolli:

It is a particular pleasure to have an opportunity to tell you of the Fairhope Single Tax Corporation and to furnish you material for your study of our plan. The primary purpose of our corporation is to perform a service to society by accomplishing a demonstration of a public revenue program that will promote rather than hinder industrial development. It is our hope others will be stimulated by our example, hence our pleasure in your enquiry.

The inspiration to establish the community of Fairhope came to its founders as victims of one of the serious economic depressions that have periodically gripped our nation. They had studied Henry George's writings and agreed with him that the cause of these depressions was a lessening of the opportunities of employment. Man cannot obtain purchasing power except he be employed and business depressions result from a reduction in purchasing power. They also agreed with Henry George that the limiting factor in employment was the availability of land, since all employment whether self employment or employment by another is based on access to land.

They also agreed with Henry George that the proper means of insuring that all unused land would continually be available for the productive use of individual or corporate industry was to make it unprofitable to hold such land out of use. While they believed that the Henry George plan must eventually be adopted by government they also realized that such might not be the case in their time and that they might hasten it by setting up a demonstration that would prove the value of the plan. Therefore they established Fairhope., and set up the Fairhope Single Tax Corporation to hold title to the land and issue lease contracts to those who wanted to use the land.

The rental charges provided for in the lease contracts compel the lessee to use his land or suffer a financial loss. As a community grows its lands must be put to an increasingly productive use and the Corporation, recognizing that the growth of the community has made the land more valuable increases the rent and the holder must then use the land for the more productive use needed by the growing community.

It is only because Fairhope has had the advantage of being selected as the site of the Fairhope Single Tax Corporation that it has become the largest town in the county. Other towns are more fav-

orably located, have more highly productive agricultural lands, are nearer to markets for their produce, are centers for larger trade areas, have superior transportation facilities, etc. Loxley, for instance, lies in the center of some of Baldwin's most productive lands. It has railroad transportation facilities at hand and is also located on both of the principal motor highway systems of the county. It is as near to Mobile as Fairhope and nearer to all of the other principal towns of the county including the county seat, Bay Minette. Nor are Fairhope's citizens in any way superior to those of the other towns of the county.

It should not be necessary to organize a single tax corporation to give every other community and section the same advantages we enjoy at Fairhope. All that is needed is a change in the public revenue (taxation) laws of the State of Alabama, making it possible to collect from all who enjoy the privilege of owning land, the market value of that privilege. The privilege of land ownership has no market value except where society is performing services for the benefit of the owner and such a system ~~merely~~ makes it possible for ~~the~~ society to collect for services rendered from the individual to whom such service is rendered.

Our present system of ad valorem taxes falls largely on individual investments in buildings and personal property and bears equally on all such without respect to their location. Often those who pay high taxes receive very little service from society while others are so located that they receive much service but because of the character of their improvements and personal property they are compelled to pay much less than the value of that service. Justice and the welfare of society demand that this unfair hindrance to the normal progress of society be abolished and that it be replaced by a revenue system that is based on the just principle established by the Fairhope Single Tax Corporation.

I am enclosing forms used by our corporation in leasing its lands and other printed material which I hope you will find adequate but should you need anything more please feel free to ask for it. With sincere best wishes for success in your effort I am,

Very truly yours,

Secretary.

Loxley, Alabama
March 2, 1945

Fairhope Courier
Fairhope, Alabama

Dear Sir:

I am in the Senior Three Class at Roberts-
dale High School, and each member of my
class is writing a Thesis on different
subjects. I have chosen as my topic, "The
Single Tax Corporation of Fairhope".

I shall appreciate any information you
can send me on this subject.

Yours truly,

Donelda Bertagnoli

Lepley, Alabama
March 6, 1945

Secretary Fairhope Single Tap Corporation
Fairhope, Alabama

Dear Sir:

Each member of the Senior III
Class from Robertsdale are writing
thesis on different subjects. I
decided for my topic, "The Single
Tap Corporation of Fairhope".

I shall appreciate any information
you can send me on this subject.

Yours truly,
Donald B. Bagnall

BANK OF FAIRHOPE

61-461

FAIRHOPE, ALA.

March 7, 1945

Miss Donelda Bertagnolli
Loxley, Alabama

Dear Miss Bertagnolli:

We have your letter of March 2, asking for information about the Fairhope Single Tax Corporation. Under separate cover we are sending the information which we have and we are also requesting Dr. C.A. Gaston, secretary of the Single Tax Corporation to send you the information that you desire. I am sure that Dr. Gaston will be glad to do this because it is the principle of the corporation to spread information concerning single tax.

Assuring you of our pleasure in helping you in this instance, we are

Yours sincerely,

KW/al
c.c. Dr. C.A. Gaston

President

June 8, 1939.

Mr. Fred Bertolotti,
12198 Stoepel Ave.,
Detroit, Mich.,

Dear Sir:-

Your sister-in-law Mrs. Roy Bertolotti informed me today that you are interested in getting some information about the plan of operation of our Corporation with a view to possibly establishing a home here after your retirement from active duty.

Our corporation has a far different aim than does that of any other land corporation. It is a non-profit corporation founded to demonstrate that a community deriving its revenue through a collection of the values attaching to land as a result of community services and growth, instead of through levying taxes on the property and individual activities of its citizens would have many advantages over that of the ordinary community.

We believe that we have successfully accomplished our aim. One of the greatest disadvantages found by the prospective settler in a progressive town is the high price of land to furnish him a site on which he can have the opportunity to establish his home. Fairhope's vacant sites are available to the newcomer on exactly the same terms they may be secured by the oldest settler. The land cannot be purchased but may be secured on a 99 year lease by advancing payment of one-half year's rent and the payment of \$1.00 for the issuance of the lease.

In Fairhope this means that if you have \$2500.00 with which to establish a home you can put the entire \$2500.00 into the building of a home while in the ordinary community you would probably have to pay \$700.00, more or less for a lot and would have only \$1800.00 to put into the house and its furnishing. While this advantage is considerable it is not all since in addition to the corporation paying the taxes on the land the title to which remains with it, it will also pay the taxes that will be levied by the state county and municipality on your buildings and personal property.

Rents on residence lots of an average size of 66ft. by front by 132 ft. deep, average about \$30.00 per year. Possession of such a lot may therefore be secured by the payment of \$16.00. Under separate cover I am sending you printed material including lease form which I hope you will take time to read. I shall be very glad to have you write me for any additional information you may desire.

Fairhope's attractions of climate, of economic opportunity and of social character are attracting many who are reaching the retirement age. We have doctors, teachers, business men, veterans and of particular interest to you since Mrs. Bertolotti tells me that you are with the police department there, three who were formerly connected with the police department of Chicago. These are Capt. Howard F. Ryley, Lieut. A. G. W. Smith and Mr. Tony Chavarzek.

I was much interested in the report you made to your sister-in-law concerning Fairhope's recommendation as a health resort by your doctor. I would be interested in knowing at what convention your doctor got this information and what was the source of the recommendation.

As stated before I shall be glad to give any further information of either a general or specific nature which you may desire.

Very truly yours,

Secretary.

The Birmingham News

EVENING AND SUNDAY

EDITORIAL DEPARTMENT

CHARLES A. FELL, MANAGING EDITOR

MCCLELLAN VAN DER VEER, EDITORIAL EDITOR

BIRMINGHAM, 2 ALA.

August 9, 1954.

Mr. C.A. Gaston
Fairhope Single Tax Corp.
Fairhope, Ala.

Dear Mr. Gaston:

The Times, as you will note from the enclosed tear sheet from last Sunday's edition, did--to use your description-- more amputation than mutilation.

Altogether, I suppose they treated us adequately, and the portion not amputated may give the lay reader a general idea of how the Fairhope Colony operates. Enough, I trust, to interest them.

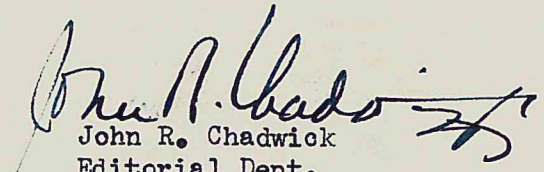
Am still in the process of attempting to peddle a longer piece to a magazine. If I have any luck I will send you a copy, of course. You might wish to sue me.

Thank you again for being so kind and generous with your time and help. Both Mrs. Chadwick and I have such a warm spot in our hearts for Fairhope that we hope some day to make that "next visit" a permanent one.

Please convey my best wishes to Mrs. Crawford and to Mr. Evans.

With kindest regards,

Sincerely,


John R. Chadwick
Editorial Dept.
The Birmingham News

FRED H. COLVIN
SQUANSET



POINT PLEASANT
NEW JERSEY

Dear Mr. Gaston:

August 23rd, 1954

A friend sent me a clipping from the New York Times regarding the success of the Fairhope Songle Tax Colony, which interested me greatly. As a young man I was a follower of Henry George in Philadelphia in about 1890 and knew of the attempt at such a colony near Philadelphia. I fear this did not succeed as yours has.

While in Mobile in about 1919 I visited Fairhope for a few hours and am very glad to know that it has succeeded. I met a man in Mexico City in March who told me something of your activities and I am glad to have more details from the clipping.

I still feel that the theory of taxing the economic land value is sound and think that it is considered to some extent in Pittsburg and a few other places in the taxation plan. It would certainly help to curb land speculation which has not been for the best interest of many communities.

Wishing you every success, I am

Sincerely

Fred H. Colvin

Aug. 13, 1954

Mr. Lawrence A. Miller
2131 Vyse Avenue
Bronx 60, New York, N.Y.

Dear Mr. Miller:

Your letter of Monday 9th brought us the first news of the publication of the interesting report in the N. Y. Times about our effort here in Fairhope. The writer Mr. Chadwick, of the Birmingham, Ala. News had been here recently getting the information at the source.

After almost sixty years now we feel there is no doubt of the effectiveness of the single tax principle as a measure for increasing opportunities and thereby increasing the production of wealth and raising the standard of living. The writer would judge that our achievement here can largely be attributed to the practically complete elimination of land speculation with respect to land owned by the Colony. There are only a relatively small number of cases where a lessee holds lease to unused land for any considerable time and it seems certain that such lessees will be the losers and not the community, since they are being required to pay the same annual rent as are users on adjoining leaseholds.

For your better understanding of how we operate our Colony we enclose a copy of our lease and of the application for land. These set forth quite fully the Colony's relationship with its lessees. As stated in the Times article the Colony leases its lands to nonmembers on the same basis it leases to members. At the present we are out of constitutions. A new edition has been ordered and a copy will be sent you on request. Practically everything that is pertinent is contained in the application and lease contract except the conditions of membership.

Membership in the Colony is very limited. This is not by design but is due to the fact that too few of the lessees are sufficiently interested in the fundamental principles to become fully informed as to the underlying philosophy and it is not considered wise to place them in a position of power in the corporation under the circumstances; another reason is that applicants for membership must contribute to the corporation \$100.00 as a further condition of acceptance. Assuring you of our appreciation for your enquiry I am,

Very truly yours,

_____, Sec.

2131 VYSE AVE - BRONX (66) N.Y. CITY - N.Y.

MONDAY AUGUST 9, 1954

Fairhope Single Tax Colony

Gentlemen:-

I have noted quite a large clipping on Page 86 of the Sunday New York Times. Have been interested for many years in the Single Tax Philosophy as expounded by the late Henry George. In fact I have read the Book "Progress and Poverty".

I would like to receive & would appreciate information re your endeavor. Also requirements, etc. in re getting into your community, etc. Any and all information would be appreciated.

Please return to me the stamp on my envelope to you. Simply cut around inked outline and return with your reply as to information requested. Self addressed stamped envelope is enclosed for your convenience. Please use it.

Trusting to hear from you soon I beg to remain
Sincerely
Lawrence A. Miller

Aug. 14, 1954

Mr. Allen F. Blount
415 Hawthorn Road
Baltimore 10, Md.

Dear Mr. Hawthorn:

In reply to your letter of Aug. 10, inspired I presume by the article printed on page 86 of last Sunday's New York Times, I regret that we do not have available for distribution plats of the Colony lands. Our urban lands are however mostly located centrally within the corporate limits of the City of Fairhope, with our country land holdings extending for several miles outside. Fairhope is quite attractively located right on the eastern shore of Mobile Bay across the bay from the City of Mobile, Alabama's principle seaport, or rather its only seaport.

An additional printing of the Colony's constitution is now on order but a copy will be furnished later on request. We are however enclosing copies of lease form and application for land that explain quite fully the Colony plan for applying the single tax principle as set forth in Henry George's book Progress and Poverty. This book should be available in your public library and we are sure you would find it most interesting and informative.

We believe that the general adoption by government of the public revenue policy proposed by Henry George would bring a quick reversal in its present trend toward paternalism. Governments' appropriation for public use of the publicly created rental value of land would remove the artificial barrier to production which now exists as a result of land speculation. All the natural resources in our country that are essential to the production of wealth would become freely available for the employment of labor and capital. Surely the result would be such an increase in personal wealth that we would see greatly diminished present popular demands for government aid in the provision of individual personal needs such as housing, health, etc. Indeed it seems reasonable to expect that patronage of the well established and generally accepted government supported educational institutions, clinics, asylums, etc. would be reduced with corresponding reduction in public expenses.

We appreciate your interest and will be glad to give such further information as you may desire.

Sincerely yours,

415 Hawthorn Road
Baltimore (10) Md
August 10th, 1954

Mr. C. A. Gaston, Secretary,
Fairhope Single Tax Colony
City of Fairhope, Alabama

Dear Mr. Gaston:

Do you have available for distribution a plan of the Colony with articulated symbols; a copy of the Colony by-laws; and the rent price on land open for lease? I would appreciate them if you have.

I am not immediately a prospect. However being from New Orleans, Louisiana it is very interesting to know of the existence of this colony. The idea of a life time lease on land for the payment of taxes is new to me and I would like very much to get closer to it.

I graduated in Architecture at Tulane in 1931 and am a registered professional engineer and land surveyor State of Maryland.

Very truly yours,

Allen D. Blount

Aug. 14, 1954

Mr. Herman S. Bradstreet
1356 Clay Avenue
Bronx 56, New York, N. Y.

Dear Mr. Bradstreet:

In reply to your request of recent date we enclose a copy of our Colony's lease form and the application for land. We are also sending you a copy of our annual report for 1953. An additional printing of our constitution is now on order and a copy will be sent you when available if you so request.

We are presuming that your interest resulted from an article printed in the N. Y. Times, Sun., Aug. 8, page 86. If so you will have noted that it is not necessary to become a Colony member to enjoy most of the benefits conferred by the Colony on its lessees. To become a Colony member one has to make application attesting to his firm belief in the single tax principle and the Colony's method of applying it and be examined as to the extent of his knowledge concerning such principles. In addition he must contribute \$100.00 to the corporation.

Because so many who lease land from the Colony are only concerned with its more economical provisions and not with its fundamental principles few such make any effort to become members. As a consequence the membership is small as compared to the number of our lessees. While non-member lessees do not have any voice in the conduct of the affairs of the Colony they do, as citizens have a voice in municipal affairs as does that part of Fairhope's population residing on non-colony owned land.

While the Colony's most desirable land is now under lease and in use there are many opportunities to secure homes on Colony land. Owners die or through choice or of necessity move away and their properties go on the market; also increases in rental values accompanying growth cause holders to reduce in size their leaseholds making room for newcomers.

We appreciate having your enquiry and will be glad to hear from you further should you desire additional information.

Sincerely yours,

C. A. Gaston, Secretary



GRAND CENTRAL
STATION

UNITED STATES

POSTAL CARD

THIS SIDE OF CARD IS FOR ADDRESS

Fairhope Single Tax Colony
Fairhope, Ala.

132
140.9
134.0
140.0
566.9

Gentlemen:

Kindly mail me regulations
concerning membership for a new resident
in your colony. Thank you in due form.

Truly yours,
Herman S. Bradstreet
1356 Clay Ave.
Bronx, 56, N.Y.

Aug. 14, 1954

Mr. Robert Sage
Kingsway Station
Brooklyn 29, N. Y.

Dear Mr. Sage:

The criticism voiced in your recent communication has been duly noted and we suggest that you reread the article in the Times. You will note that it is the City government and not the Colony that requires payment of more than the ground rent. In 1908 when the community of Fairhope, founded by the single tax colonists, became a municipal corporation the corporate boundaries then established included the urban development on the Colony's land and additional non-colony owned land of an area three times as large as the area occupied by the Colony and its lessees. At that time the municipal revenue was almost wholly derived from the general property tax as provided by statute. Also at that time the Colony and its lessees accounted for about 80% of the population and of the assessed values upon which such property taxes were levied. Since the Colony absorbed the lessees' property taxes in its rent charges and since it paid the property tax on its land the major part of the municipal revenue had rent as its source.

So effective is the Colony's application of the single tax principle in preventing speculation on its land that the growth of the municipal community was mostly on land leased from the Colony so long as it had unleased land desirable for use. Now that the Colony's most desirable land is under lease and in use our rapidly expanding population is being forced onto land that is not owned by the Colony. The public revenue from such land is based on assessed values and is much less than is derived from the Colony's rental charges on its land. Also the occupancy is much more scattered and the expense of supplying public service correspondingly more expensive.

It is necessary to understand that the Colony and the municipality are two separate corporations. The Colony is a private corporation organized to demonstrate a principle while the municipality is a political corporation whose policies and conduct are wholly governed by statute. Unlike the Colony the municipal government has no authority to levy and collect the increase in rental values resulting from the growth of the community. Because of this it seems forced to resort to the forms of taxation that are quite generally recognized as regressive and obnoxious in order to

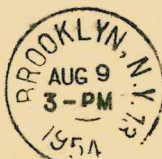
meet the additional obligations imposed upon it by growth in the non-colony owned areas. So long as the principle growth was confined to the Colony land the municipal government had the full benefit of the Colony's additional expenditures from its rent fund made in the municipal area occupied by Colony lessees. No such additional fund is available to it in the areas now under greatest development. All of which it appears to us tends to most effectively demonstrate the superiority of our plan.

We hope the foregoing will be sufficient to remove your criticisms and that if you know of others who drew similar conclusions from the Times' article that you will pass the information along to them. For your better information as to how we conduct our Colony program we enclose our lease form, application for land and a copy of our annual report for 1953.

Sincerely yours,

C. A. Gaston, Secretary

Sage
Kingsway Sta
Brooklyn 29 NY



THIS SIDE OF CARD IS FOR ADDRESS

Mr. C. A. Gaston
Secty Fairhope Single Tax Club
Fairhope
Ala

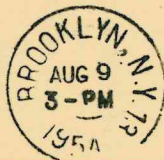
Dear Mr. Gaston,
Read about you in the
NY Times of 8/8/54.

Noted that your colony
has now adopted other
taxes besides the Single Tax.

May I suggest an
educational program
on Henry George's philosophy
for your group?

Evidently the present
generation in your
community needs it.

ROBERT SAGE
KINGSWAY STATION
BKLYN 29 N.Y.



THIS SIDE OF CARD IS FOR ADDRESS

Mrs. Francis Gaston Crawford
Fairhope Courier
Fairhope
Ala.

Dear Mrs. Crawford,
Read about you in the
N Y Times of 8/8/54.

Noted that your community
is now assessing other
taxes besides the tax
on land values.

Why not educate
the present generation
of your community
on the teachings of
Henry George? They
need it, for evidently
they would not have
voted for the other levies.

Yours truly
ROBERT SAGE
KINGSWAY STATION, Bklyn 29 N.Y.

Box 43 Fairhope
May 30 '48

Dear Corrie,

This is to tell you that I am one of the many men who were deeply impressed by the superb construction and the convictive power of your recent statement in Fairhope Courier. Surely all thinking men must have the same opinions but lack the ability to so clearly and forcefully present them. Such strong evidence and valid reasoning leave no ground whatever upon which a rebuttal could be built. You have rendered me a service and for that I sincerely thank you.

Your friend,
John G. Bishop Jr.