FSTC: Correspondence: I, J, K

Fairhope

10519-6

102

Feb. 17, 1948

Mr. Chas. H. Ingersoll 1165 Broadway, N. Y. New York

Dear Mr. Ingersoll:

The arrival of # 91 democracy and coming upon your memorandum of Sept. 5, 1947 prompts this letter.

I did take note of your definition and appraisal of enclaves. As to the latter time is a factor. The great expenditure of effort in various fields and directions appears to have had negligible influence when one makes a survey of current political and economic trends.

However I am still hopeful that one of us may one day strike pay dirt. I'll be deeply grateful to whoever it is. Here in Fairhope it becomes more and more apparent that our advantage over surrounding communities is due to our more complete collection of rent.

Criticism might have been damaging to the Fairhope effort in the early days when the life of the effort here was dependent on approval of national singletaxers who would contribute to its land fund, but we have no such need now. We possibly have enough land, such as it is, to perform as good a demonstration as could be made in this particular locality. Of course such demonstration as we wan make here is not nearly as valuable as such a demonstration might be were it located where natural resources afforded labor a greater reward for effort.

I want to express my sincere appreciation of your continued effort to accomplish human justice and to assure you democracy is always a welcome arrival.

Sincerely yours,

Secretary



Office of "democracy" 1165 Broadway, N.Y.

Fairhope Enclave Fairhope, Ala.

Sept. 5, 1947

Dear Sir:-

Enclosed is a copy of "democracy" marked at a reference to "you or yours".

I hope this comment will be found in order; and shall be glad to have your return comment on the subject.

Though we may be critical and even ironic on occasion, we aim always to be friendly, or at least tolerant. "democracy"s complaint is not personal, but is against a system.

Also, I commend to your earnest attention the balance of this humble contribution to a much neglected subject.

And your assistance in its permanent success.

Sincerely yours,

CHARLES H. INGERSOIL, EDITOR

CHARLES H. INGERSOLL, Editor-Publisher National Tax Relief Association 1165 Broadway, New York 1, N. Y. March 31, 1948 Mr. C. A. Gaston, Secy. Fairhope Single Tax Corp. Fairhope, Alabama Dear Mr. Gaston: I am pleased to have your friendly letter of February 17th, and while I am not quite clear as to your whole objective, I want to acknowledge your friendly expressions and hopes for the improvement in conditions which might make our mutual work more effective, or to strike pay dirt, as you very effectively call it. Your 3rd paragraph acknowledging your advantage as due to more complete rent collection perhaps needs a word further to make sure you mean this collection to be by the public, which I am reminded that your Colony is devoted to -- or whether you are speaking of your advantage in business, I.E., publishing of your excellent paper due to the greater amount of rent that is permitted to remain in private hands. But I am assuming the former, tho your next paragraph might favor the second interpretation, which is not true. However, I congratulate you on being in a position to do whatever is most practical for the Colony demonstration with funds that the Colony is earning. I thank you earnestly for your friendship and am pleased to know you like the little paper. Sincerely yours, Charles H. Ingersoll Editor-Publisher CHI:rp

Nov. 16, 1946

Mr. Chas. H. Ingersoll 1165 Broadway New York 1, N. Y.

Dear Mr. Ingersoll:

I have your letter of the 10th in reply to my unconvential P. C. correspondence which I admit is a little informal and crude, but a time saver. I copied it from J. Rupert Mason, of San Francisco. The volume of work in our office is increasing steadily. Shortages of labor and material and the federal restrictions on building have made us more aware of the fact that shelter is a commodity and subject to price fluctuations that need not affect the land on which such shelter is located. Demand for shelter in this section has expanded so rapidly that there have been many sales of building improvements with a corresponding transfer to leases to the land.

I feel sure the world is fortunate that "democracy" enjoyed a bequest and it is my sincere regret to learn that the bequest is fast dwindling. I would be false to my convictions if I held out to you any hope of securing sufficient financial aid from interested single taxers to continue it. There are a few quite able individuals but they are, in the main, supporting activities of their own initiation. I refer to such as W. E. Clement, New Orleans and Otto Cullman, Chicago. I concur in your apraisal of "democracy's" presentation of the problem and its plan of solution. I question, however, its capacity to get its message to those who might maket the plan effective.

I believe that efforts such as yours even though they failed to reach as widely as they richly deserved are of immense value in maintaining knowledge of the fundamental character and essential features of Hehry George's proposals. Even the many who did not have full faith, but who often diluted and sometimes, I fear, polluted his teachings, served to keep the name of the man and his teachings alive. I recall that you, and probably correctly, considered the Fairhope group, including my father, as considerably tinged. Putting the Geargist theories into practice here has been powerfully effective in convincing us that there is little more that can be done or need be done.

It was fifty-two years ago since the family arrived here on the Eastern Shore of Mobile Bay, yesterday, to be exact.

They and the half dozen other families who arrived on that date brought no physical plan for the model community it was their ambition to establish. The trusted in nature, human-nature, to develop and fashion the plan along the best lines the local resources would support. They did realize, however, that man has the capacity to distort and suppress the natural growth of a community. So their community might not suffer from man's exercise of this destructive capacity they provided that all land value which should result from the growth of the community or the activities of its citizens must be collected by their governing corporation and expended in the common interest of all and prohibited the corporation from levying any other taxes or charges of any kind upon the property or persons of participants. They further prohibited abrogation by the corporation of the natural rights of participants to absolute freedom in production, exchange, associations, beliefs and worship.

Considering the extent to which the aims of Fairhope's founders are neutralized by federal, state and local tax laws that violate the principles they sought to establish and other statutes limiting absolute freedom in production and exchange, if not in associations, beliefs and worship, I believe Fairhope justifies the conclusions of its founders. As you will note in the paper I mailed you Fairhope is now getting considerable state recognition now and I have great hopes such recognition will be extended. Our newly elected governor, James Folsom who will take office the first of the year and who is going to try for a new constitution invited me a few months past to call on him and tell him more about Fairhope, which he visited while campaigning. He seems interested and promised more attention later.

I am sorry to learn that you have not been getting the Courier and will see that you get on the exchange list. I put in full time in the Corporation office and my sister and brother handle the Courier business, except for such editorial work as I get to do. I am sorry not to find it possible to encourage you and to find it impossible to offer any personal aid. Mr. Bishop died some years ago, as, of course you know, did my father and mother. There are few of the old timers left but the sound basis on which Fairhope is founded continues to sustain it with ever greater effectiveness. I

There is much more I could write but I must get on to other work. Oh, about the school, it is still struggling along with altogether inadequate support, and no assurance of continuance. I very much fear it will not last. The school's paper is "Integration". You referred to "Interpreter" which I see from time to time but it is not our paper. I shall hope to get "democracy" for some time and suggest you change the address to C. A. Gaston, only. Again assuring you of my best wishes I am,

Most sincerely yours,

Secretary

"democracy"

CHARLES H. INGERSOLL Editor-Publisher

26 Times for \$1.00

November 10, 1946

Mr. C. A. Gaston,

Dear Mr. Gaston,

Thanks for your P. C. without date or anything else but "pure type matter". It thrills me to get from an old timer like you and especially an experienced publisher such words of commendation. And it reminds me to formulate a "comeback" which I am doing as a pure favor, tho not personal. What I mean is I am asking it of you and also asking you that you free yourself from any bias which may result from implied financial obligation. Here it is.

In a year or two, my cash (the remains of a bequest) will run out. It exhausts at the rate of \$100--\$25 a month. The receipts are negligible. My question is "shall 'democracy' fold up at the end of this period or do you think a sustention ala hepublic can be raised largely from Single Taxers? If I were to judge by the average and active response from the "Simon Pures" I would answer for you and but there are a dozen or two of them who come along from time to time with such comments as yours.

I don't know how many recognize it, but I claim there is no higher percentage of economic Georgism to be found anywheres. There is none with anything like the program of putting the science and philosophy into practice.

And if I should decide on a sustention program, it would be my plan to enlarge the paper and improve it in other ways. Also to make the S. T. part perform the function of a revolving fund, which would eventually carry thru my ambition. This is to make business men put up a \$1,000,000 fund for its ownconversion and education. This is what should be done.

Yes, your added third factor to our capital--monopoly is very important. The two reasons you give are just about as I have thought of the situation myself. I haven't seen the "Courier" in years. Wish you would send me one and tell me if Mr. Bishop is still writing his weekly letter.

This reminds me that I have on several occasions broadly hinted that I might give you a letter a week if you like my way of saying it. Thanksfor the government journal which hasn't arrived yet. Will read it with care. I am writing again to the school to get after their mailing list which has been years wasting several copies of the "Interpreter" in my office addressed either to persons deceased or long departed from my reach. Perhaps you will speak to them.

Kind regards,

Chas. H. Ingersoll Ed. - Publisher

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"The power to tax involves the power to destroy"

U. S. Supreme Court, McCulloch vs. Maryland, 4 Wheaton 316

To secure legislation for the removal of taxation from business and industry

1165 BROADWAY New York

June 15, 1944

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Fairhope School Fairhope Alabama

Dear

of gutyrahin

A number of copies are coming to my office addressed to people who have passed on by one route or another. I shall be glad if you wish, to send you some names as I shall never flag in my interest in Mrs. Johnson's work. Enclosed is the latest 'democracy' and this is what I am saying to my friends wherein you are included.

I am on the threshhold of a new era of little 'd' 'democracy' and hope #58 enclosed will meet your approval. AND that you will do a little hustling for me--IT! I've kept the 'dollar watch price' and you can split that down as low as 10g if you can give me a nice long list of SUBS from all your friends, employees, etc. Most important now to get second-class privilege. AND tell me how YOU like it!

I shall be glad to have your cooperation in building up my list.

With kindest regards,

I han war 3 grand children going to a school in ment\_ sincerely, Clair calling shelf organic oc

CHI: jh

Charles H. Ingersoll

President

Tums as the no might do soulling to boost lack - also The Courier 1 "democracy", 1165 B'way., N.Y.C. April 12,1947 Mr. C. A. Gaston, Fairhope, Alahama. Dear Mr. Gaston: -

I am a true economist I guess. I don't like to waste such a fine production as the "Courier" is every week, and as it is very little devoted to my profession as stated above, why not send it to the School or someone who will give it the appreciation it deserves?

Kindest regards.

Yours sincerely,

Charles Stelman

Charles H. Ingersoll Editor-Publisher

CHI:rp



Mr. C. A. Gaston Fairhope

Alabama

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Manhattan Single Tax Club

Hatianal Single Tax Association
on the process of formation

1165 BROADWAY

New York January 2, 1942

WALTER G. STEWART

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DR. F. M. PADELFORD
FRANCIS NEILSON
THECDORE H. MILLER
WM. M. SOUTHAM

Dear Mr. Gaston:

H. W. SCHROEDER

you one or two questions, but have had no acknowledgment or reply. I presume I had better not thrust any more on you until I have heard from you. I have sent you two or three sets of script recently and asked

I trust you and all the friends there have enjoyed the festive

Enclosed is my latest 'democracy.'

Sincerely yours,

Chr. Adyroop

### C. H. INGERSOLL, 82, WATCHMAKER, DIES

Co-Founder of the Firm That Produced 70,000,000 Dollar Timepieces in 29 Years

Special to THE NEW YORK TIMES.

WEST ORANGE, N. J., Sept. 21

—Charles H. Ingersoll, co-founder of the dollar watch firm which turned out 70,000,000 timepieces, died today at Orange Memorial Hospital of injuries received when struck by a car Sunday in South Orange. His age was 82.

Mr. Ingersoll was struck while walking through heavy traffic after inquiring from a pedestrian directions to his home in Llewellyn Park here, two miles from the scene of the accident. He suffered a fractured skull and other injuries.

As a farm boy of 14 in his native Delta Mich. where the action of the accident.

As a farm boy of 14 in his native Delta, Mich., where he attended the one primary school, Mr. Ingersoll decided to come to New York and join his brother, the late Robert H. Ingersoll, in the making of novelties. The brothers were descendants of John Ingersoll, an Englishman who settled in Salem, Mass., in 1629.

Started on Watches in 1892

Mass., in 1629.

Started on Watches in 1892

Charles and Robert first manufactured and sold rubber stamps. They introduced patent pencils, a dollar sewing machine and a patent key ring before lighting upon the idea of a dollar watch in 1892. The watch idea was gleaned from a broken alarm clock which the brothers reassembled.

The watch firm bore the name R. H. Ingersoll & Bro., with manufacturing plants in Trenton and in Waterbury, Conn. Unsuccessful investments forced the firm into involuntary bankruptcy in 1921 and assets were sold the next year to the Waterbury Clock Company for \$1,150,000.

It was Mr. Ingersoll who introduced Woodrow Wilson, then president of Princeton University, to Williah Jennings Bryan at the Ingersoll home at South Orange. The friendship ripened, and Mr. Bryan nominated Mr. Wilson for President at the Democratic Convention which selected him.

A stanch advocate of President Wilson's doctrine of international ism, Mr. Ingersoll was a member of the American Fair Trade League, the United States of Europe Association and the Wilson Committee for the Panama Canal Investigation.

Mr. Ingersoll was as member of the American Fair Trade League, the United States of Europe Association and the Wilson Committee for the Panama Canal Investigation.

Mr. Ingersoll was as member of the American Fair Trade League, the United States of Europe Association and the Wilson Committee for the Panama Canal Investigation.

Mr. Ingersoll was as sternuous advocate of a single tax on land values only. He contended such a tax would discourage speculation in real estate, encourage industry, farming and home-owning and result in better housing and lower rents.

Candidate for Governor

The watch manufacturer was an house of the contended such a tax would discourage speculation in real estate, encourage industry, farming and home-owning and lower rents.

Candidate for Governor

The watch manufacturer was an unsuccessful independent candidate for Governor of this state in 1934. His platform included repeal of gasoline and personal property taxes. He was former president of the New Jersey Industrial Tax Relief Association, Inc., an officer of the Manhattan Single Tax League and an executive committeeman of the National Single Tax League and an executive committeeman of the National Single Tax League and in East Orange. In 1924 he successfully opposed in court the refusal by the Village of South Orange to grant him a permit to erect an apartment. In 1926 he aroused residents in the exclusive neighborhood of his home at 205 Upper Mountain Avenue, Montclair, by converting the premises into an inn "because I believe it's, a good business investment."

In the last five years Mr. Ingersoll published a monthly magazine, Democracy, which he circulated among friends.

Mr. Ingersoll's wife, the former Eleanor Bond of Brooklyn, whom he married in 1898, died in 1928. He leaves four daughters, Mrs. Joseph B. Scheerer, with whom he lived; Mrs. John E. Newman of Orange, Mrs. Gavin Brackenridge of New York and Mrs. Raymond Maurice of Montclair.

ALFRED P. SANDIIS



CHARLES H. INGERSOLL

#### STATE OF ALABAMA

C O P DEPARTMENT OF COMMERCE

Montgomery

September 30, 1940

Mr. Fred Grubeck, Fairhope, Alabama, Fairhope, Alabama,

Dear Sir:

Answering your letter of the 26th we would adise you that the letters you enclose give you the full information as to the set-up by the Hardware Mutuals.

Formerly there were three companies operating as the Federal Hardware Mutuals. One of these companies withdrew and if you will note the letter of Mr. Lee Davis of Atlanta, you will see that the Hardware Dealers Mutual Fire Insurance Comapny of Stevens Point, Wisconsin, and the Minnesota Mutual Fire Insurance Company of Owatonna, Minnesota now constitute what is known as the "Federated Hardware Mutuals".

Mr. R. H. Pratt represents the Hardware Mutual Insurance Company and the Hardware Indemnity Insurance Company of Minnesota. So, the only difference now is that there are two firms offering you insurance; you need have no concern as to the reliability of either firm.

Very truly yours,

(Signed) Frank N. Julian Supt. of Insurance

#### GROUND RENTS FAIRHOPE, ALABAMA

| \$         | On gr     | round re | nts ac | crued  | and un  | collecte | d under  | leases   |
|------------|-----------|----------|--------|--------|---------|----------|----------|----------|
|            | with      | various  | lesse  | es of  | lands   | situated | in or a  | at       |
| Fairhope,  | Alabama,  | and own  | ed by  | the Fa | airhope | Single   | Tax Corp | poration |
| of Fairhop | e, Alaban | na.      |        |        |         |          |          |          |

It is the purpose of this insurance to make good loss of uncollected rents on account of the impairment of security as a direct result of damage to or destruction of improvements by fire or lightning, the property of the lessee while situated on lands under lease from said Corporation.

It is agreed that this Company shall not be liable hereunder for physical loss or damage to nor loss arising from the use of any improvements, whether owned by the lessee or lessor.

It is agreed that this Company shall not be liable whenever the rental value is equal to or exceeds the actual value of the improvements damaged or destroyed nor in any event for rents more than twenty-four (24) months past due.

In the event of loss the assured is authorized to accept from the lessee any rent accrued and unpaid, in which event the liability of the Company shall be reduced by the amount so collected.

Loss, if any, shall be adjusted with and payable to the Fairhope Single Tax Corporation.

It is understood and agreed that upon the payment of any claim hereunder this Company shall to that extent be subrogated to the rights of the assured in any remaining salvage or other security held by it.

It is specifically understood that the assured will promptly give the Company notice of any loss on any improvements that might result in a claim that comes to its attention.

CO-INSURANCE CLAUSE: It is a part of the consideration of this policy and the basis upon which the rate of premium is fixed that the assured shall at all times maintain insurance on land rentals accrued and uncollected under outstanding leases as covered by this policy of notless than/00% of the actual amount thereof, and that failing to do so the assured shall be an insurer to the extent of such deficit, and in that event shall bear its proportion of any loss.

It is understood that this insurance shall not be affected or invalidated by any act or neglect of the owner or occupant of the above mentioned buildings, nor by any foreclosure or other proceedings or notice of sale relating thereto, nor by occupation of the premises for purposes more hazardous than are permitted by this policy.

| Attached | to | and | made | a | part | of | Policy  | No.   | of | the |
|----------|----|-----|------|---|------|----|---------|-------|----|-----|
|          | -  |     |      |   |      |    | Ins. Co | o. of |    |     |
|          |    |     |      |   |      |    |         |       |    |     |

Nov. 13, 1941

Department of the Interior Bureau of Reclamation, Washington, D. C.

Dear Sirs:

It is my information that a law to control or prevent land speculation in the Columbia Basin Irrigation District has been proposed.

Any information or data that you can furnish me concerning the nature of the proposed law will be greatly appreciated.

It is also my information that there is a law providing for terms on which land in Boulder City is leased but not sold. If it is possible to do so will you please send me a copy of that law?

Our Fairhope plan has been very effective in preventing speculation and at the same time
affording property owners much relief from burdensome taxation. A small explanatory folder is enclosed and additional information will be furnished if desired.

Very truly yours,

Secretary.

May 10, 1938.

Mr. Harold L. Ickes, Secretary, Department of the Interior, Washington, D. C.,

Dear Mr. Tokes:

In warning my boy of the necessity of protecting himself against the sudden squalls on Mobile Bay I relate to him the plight of your boys and their companions on that day in March, 1920 and of how difficult it was for my brother and me to accomplish their rescue.

If I am successful in convincing him of this danger he can of himself take the necessary steps for protection but there is agreater danger in the present economic state of our nation and the politico-economic trends of the world today, against which he is helpless as an individual. I feel sure that you recognize this and that your aim in the conduct of your great department of the interior is to conserve the great resources of our country and make them available to all citizens upon terms of equality.

Because the administration at Washington is so long in mapping out and carrying into effect an economic policy that can truly be said to be based on sound principles of economic justice I am beginning to fear that it lacks the knowledge that there is a relatively simple basis for a just economic system that would insure to all ambitious and capable citizens access to the natural opportunities upon terms of equality, an economic system that has in itself all the elements of a self sustaining structure.

It is because of this and because I want my boy and yours to have this equality of opportunity to work out their own destinies in their own great country that I have made so bold as to address the attached letter to our President. I do feel so strongly that no just system of general "taxation" can be evolved but that there is a susteend proper source of adequate public revenue in the collection of the socially created values of land, the taking of which by government will tend to the creation of economic balance, that I am asking your assistance in seeing that my letter is actually broughtbto the attention of President Roosevelt.

With a continued hope that sound progressive influences will prevail in our country and with my sincere personal regards I am,

Cordially yours,

# UNITED STATES DEPARTMENT OF THE INTERIOR OFFICE OF THE SECRETARY WASHINGTON

May 18, 1938.

C. A. Gaston, Esq.,
Fairhope Single Tax Corporation,
Fairhope, Alabama.

My dear Mr. Gaston:

0000

Secretary Ickes has received the letter and enclosures which you sent to him on May 10.

Propriety compels the Secretary to refrain from urging upon the President's attention matters which do not directly concern either his Department or any emergency agencies under his jurisdiction. The letter you have written to the President will, I am sure, be given proper attention, notwithstanding.

Sincerely yours,

For the Personal Assistant to the Secretary.

Feb. 18, 1942

Commissioner of Internal Revenue Returns Distribution Section Washington, D. C.

Dear Sir:

We pray for such indulgence as you can give to the delinquency of this report.

This is the first year this corporation has been required to make such a report and the necessity of making it had escaped our attention.

No injury has been done any individual as the only employee involved is the writer of this letter and he has secured the proper form and is preparing his return.

Very truly yours,

Secretary.

#### UNITED STATES

### ANNUAL INFORMATION RETURN

SUMMARY OF REPORTS OF SALARIES OF \$750 OR MORE TO A SINGLE PERSON, OR \$1,500 OR MORE TO A MARRIED PERSON, OTHER INCOME PAYMENTS OF \$750 OR MORE, DIVIDEND PAYMENTS OF \$100 OR MORE, AND DISTRIBUTIONS IN LIQUIDATION OF \$750 OR MORE

| This return, accompanied by reports on Form 1099 and/or Form 1099L, must be forwarded so as to reach the Commissioner of Internal Revenue, Returns Distribution Section, Washington, D. C., | FAIRHOPE SINGLE T | AX CORPORATION              | (Date received)            |
|---|-------------------|-----------------------------|----------------------------|
|   | (Name of          | colling results and the re- |                            |
|   | (Street and n     | umber or rural route)       | (a) we a further go        |
| on or before<br>February 15, 1942   | Fairhope,         | Alabama                     | is on the survivine of (5) |
|   | (City)            | (State)                     | E SULTABLE STATES          |

INSTRUCTIONS

Payments of Salaries, Interest, Rent, Royalties, and Other Fixed or Determinable Income.—Every individual, partnership, or corporation (association, joint-stock company, or insurance company) shall make a report on Form 1099 with respect to amounts paid, credited, or distributed during the calendar year 1941, (a) as salaries or other compensation for personal services, totaling \$750 or more, in the case of a citizen or resident who is not married or whose marital status is unknown or changes during the year, or \$1,500 or more in the case of a married citizen or resident, or \$750 or more in the case of a resident of Canada or Mexico, if such compensation is not subject to withholding, or (b) as interest, rent, premiums, annuities, royalties, or other fixed or determinable income, totaling \$750 or more, to an individual (citizen or resident of the United States), a resident fiduciary, or a resident partnership any member of which is a citizen or resident. The value to the recipient of living quarters or meals furnished in lieu of cash compensation for personal services must be entered separately on Form 1099. If a report is required with respect to payments under either clause (a) or clause (b), any payments of income specified in the other clause, regardless of amount, should be included in such report. PAYMENTS MADE TO THE OFFICERS OF A CORPORATION SHALL BE RE-PORTED ON FORM 1099. Annuity payments shall be reported in an amount equal to 3 percent of the aggregate premiums or consideration paid for the annuity (whether or not paid during the taxable year), until the aggregate amount paid to, and not required to be included by, the annuitant in his gross income equals the aggregate premiums or consideration paid for the annuity payments shall be reported.

Foreign Items.—In the case of foreign items (any item of interest upon the bonds of a foreign country or of a nonresident foreign corporation not having a fiscal or paying agent in the United States, or any item of dividends upon the stock of such corporation), Payments of Salaries, Interest, Rent, Royalties, and Other Fixed or Determinable Income.—Every individual, partnership,

The reverse side of this form should be used to explain dividend distributions made in the ordinary course of business (but not distributions in liquidation) which are considered by a corporation to be nontaxable or partly nontaxable to the shareholders as dividends. Such report should be filed not later than February 1, 1942.

Distributions in Liquidation.—Every corporation making any distribution in liquidation of the whole or any part of its capital stock shall make a report on Form 1099L with respect to each shareholder to whom such distribution was made, amounting to \$750 or more, during the calendar year 1941, unless such distribution is one with respect to which information is required to be filed pursuant to section 19.112(b)(6)-5(b), 19.112(g)-6(a), or 19.371-10 of Regulations 103.

Reports on Form 1099 Are Not Required in the Following Cases: (1) Payments of any type made to a corporation; (2) Distributions or salaries to members of a partnership or distributions to beneficiaries of an estate or trust, which are shown on the Partnership or Fiduciary Return; (3) Rent paid by a tenant to a real estate agent; (4) Payments made by a broker to his customers; (5) Interest on bonds which is required to be reported on Form 1012; and (6) Payments of income upon which Federal income tax has been withheld at the source and reported on Form 1012, 1013, or 1042.

Returns of information are required to be rendered on the BASIS OF THE CALENDAR YEAR even though the income tax return of the payor is filed on the basis of a fiscal year.

I swear (or affirm) that to the best of my knowledge and belief the accompanying reports on Form 1099 and Form 1099L,

tax return of the payor is filed on the basis of a fiscal year.

Affidavit.—Returns of individuals must be signed and sworn to by the individual or his duly authorized agent. Returns of corporations, partnerships, etc., must be signed and sworn to by an officer of the corporation or member of the partnership.

| return of payments of the above-described classes of income made year 1941. | g any accompa<br>by the person | nying schedules, constitute a true<br>or organization named above durin | and complete |
|---|--------------------------------|---|--------------|
| Number of reports on Form 1099 attached One                                 |                                |   |              |
| Number of reports on Form 1099L attached                                    |                                | (Signature)   |              |
| Subscribed and sworn to before me this 18th                                 |                                | Secretary   |              |
| day of February 1942.   |                                | (Title)   | 16-24132-1   |
| 8 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2                                     | 8 XXXX                         |   |              |

This side of form should NOT be filled in when distributions are considered to be taxable in their entirety as dividends.

#### STATEMENT RELATING TO DIVIDEND DISTRIBUTIONS MADE IN ORDINARY COURSE OF BUSINESS CLAIMED TO BE NONTAXABLE OR PARTLY NONTAXABLE

In the event the corporation is of the opinion that the dividend distributions made during 1941 are, for any reason, nontaxable or partly nontaxable, the corporation should furnish the information called for below and file this form, together with Forms 1099, with the Commissioner of Internal Revenue, Returns Distribution Section, Washington, D. C., not later than February 1, 1942. The corporation will be promptly advised by letter as to any apparent errors in order that the corporation may, if time permits, furnish such advice to its stockholders before the stockholders file their income tax returns for the calendar year 1941.

A schedule should accompany this form showing the manner in which the taxable and nontaxable portions were determined, including an explanation of any change in the outstanding capital stock during the year.

The following general principles should be observed in the determination of the taxable status of dividend distributions made during the year 1941:

- (a) Distributions are considered taxable if the total earnings and profits of the current year are equal to the total distributions made within the year, regardless of any deficit existing at the beginning of the year and regardless of the amount of the earnings or profits of the taxable year on hand at the time of the distribution.

- of the earnings or profits of the taxable year on hand at the time of the distribution.

  (b) In the event the earnings and profits of the current year are not sufficient to cover the distributions, then that proportion of each distribution which the total of the earnings or profits of the year bears to the total distributions made during the year shall be regarded as out of the earnings or profits of that year.

  (c) As a further source of taxable distributions in connection with that proportion of the distribution not regarded as out of the earnings or profits of the taxable year, the earnings and profits accumulated since February 28, 1913, and on hand at the beginning of the year must be considered.

  (d) In arriving at the amount of earnings accumulated since February 28, 1913, the earnings of each year or accounting period beginning prior to January 1, 1936 (and in the case of an operating loss for any year or accounting period), should be prorated up to the date each dividend was paid, if the actual earnings to the date of a distribution within any taxable year cannot be shown. any taxable year cannot be shown.
- (e) For years beginning on or after January 1, 1936, the earnings available for dividends are not prorated, but the distribu-

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Jan. 29, 1942

Collector of Internal Revenue Birmingham, Alabama

Dear Sir:

With reference to your form letter of Jan. 2, 1942 I note reference to a requirement of employers to to make a report of employees on Form 1099 and on the copy of Form 1099 which you enclosed I note that it is to be filled out in accordance with instructions on return Form 1096.

Our corporation has only two paid employees the secretary and the treasurer, the 1941 salary of the former having amounted to \$1,840.00 and of the latter \$640.00.

Heretofore vur corporation has made no report on these employees and we are not in possession of the indicated forms. If we are required to make such a report please furnish us with the forms.

Both the above employees are married and I, the secretary, have one dependent a 14 year old son. I find that from sources other than salary I received the following:

From professional fees, (gross)
From my father's estate

\$87:00
50.00
137:00
1.840:00
1.977.00

Form 1040 A, but will appreciate a copy of 1040 as well auch instructions for the corporation and myself as may be indicated,

Yours very truly,

Secretary.



#### TREASURY DEPARTMENT

INTERNAL REVENUE SERVICE

Birmingham, Alabama January 2, 1942

#### OFFICE OF THE COLLECTOR

District of Alabama

#### DEAR EMPLOYER:

The Revenue Act of 1941 provides, among other things, that, effective with returns for the calendar year 1941, the personal exemption for income-tax purposes in the case of single persons shall be \$750 instead of \$800 as last year, and in the case of married persons, living together, \$1,500 instead of \$2,000. The act further provides (as did the First Revenue Act of 1940) that the gross and not the net income shall be the determining factor with respect to the liability for the filing of income-tax returns.

Naturally, the change in the law with respect to the personal exemption will affect many individuals who have not heretofore filed Federal income-tax returns. Without any intention or desire to impose upon you, the purpose of this letter is to respectfully enlist your cooperation with this office to the extent of posting the enclosed notice in a conspicuous place on the premises of your establishment for the information and guidance of your employees. Additional copies of this notice may be obtained from this office upon request.

While the Bureau of Internal Revenue is giving all possible publicity to important changes in the law, it is believed that with your assistance none of your employees, because of a lack of knowledge of the requirements, will fail to file returns for the calendar year 1941 and thereby become liable to the penalties provided by law for such failure. The distribution of blank forms to individuals liable for the filing of income-tax returns presents a serious problem to this office. In the belief that you would be willing to cooperate with your Government in this important task, it is respectfully suggested that you can assist further by advising this office of the number of Forms 1040 and 1040A which will be needed by your employees for the filing of their returns. Those of your employees who filed returns for the year 1940 will receive appropriate blank return forms by mail from the Collector and it will be appreciated if you will take this into consideration when estimating the number of forms you will need. Promptly upon receipt of such advice from you, the necessary forms will be immediately forwarded to you for distribution to the employees who will need them. The circumstances under which Forms 1040 and 1040A shall be used are fully explained in the enclosed NOTICE.

By reason of the change in the law referred to above, it is quite possible you will be required to report an additional number of employees on Form 1099, information return (copy enclosed), and will, therefore, need more of these forms than heretofore. They are now available in this office and the desired number will be furnished you upon request.

This office is reluctant to impose any serious burden upon you and yet I am sure you will realize that such cooperation on your part will mean much to this office in its desire to fully administer the revenue laws as enacted by Congress.

Very truly yours.

BUY
UNITED
STATES
SAVINGS
BONDS
AND STAMPS

Islemy & Willing I me Collector.

## **NOTICE**

## CHANGE IN PERSONAL EXEMPTION BASES FOR FEDERAL INCOME TAX PURPOSES

The enactment of the Revenue Act of 1941 has resulted in an important change with respect to the liability of individuals for the filing of income tax returns. Individuals under the following circumstances will be required to file returns covering the calendar year 1941.

Single individuals, or married individuals not living with husband or wife, having a GROSS INCOME of \$750 or more.

Married individuals living together having a combined GROSS INCOME of \$1,500 or more.

The liability of a citizen or resident of the United States to file a return is dependent upon his status as a married or single person, and the amount of his GROSS INCOME. Therefore, every citizen or resident of the United States will be required to file a return for the taxable year 1941 if his GROSS INCOME in 1941, regardless of the amount of his net income, equals or exceeds the amount specified above for his particular status. A return must be filed even though, by reason of allowable deductions from gross income and of allowable credits against net income, it develops that no tax is due.

A simplified return, Form 1040A, has been provided and may be used if gross income is not more than \$3,000 and if such income consists wholly of salaries, wages, other compensation for personal services, dividends, interest, rent, annuities, or royalties. However, Form 1040 may be used if desired. Form 1040 must be used for GROSS INCOME of more than \$3,000 from salaries, wages, interest, dividends, rents, royalties, and annuities; or if any part of the income is derived from sources other than salaries, wages, interest, dividends, rents, royalties, or annuities, Form 1040 should be used regardless of the amount of the income. While returns must be filed on or before March 15, 1942, with the Collector of Internal Revenue for the district in which the taxpayer resides, it is urged that they be filed as soon as possible after January 1.

Individuals who filed Federal income tax returns for the year 1940 will receive appropriate blank return forms from the Collector of Internal Revenue. If an individual is in doubt as to his liability for the filing of a return and if his employer has no blank return forms available, a request should be made of the Collector of Internal Revenue for the district in which the individual resides, or of any deputy collector stationed in the vicinity, for the appropriate 1941 individual income tax return blank and the printed instructions accompanying the form.

Failure of individuals, under the circumstances outlined above, to file returns will subject them to the imposition of the penalties prescribed by law.



OFFICE OF THE COLLECTOR
DISTRICT OF ALABAMA

IN REPLYING REFER TO IT: FHB: F

TREASURY DEPARTMENT

INTERNAL REVENUE SERVICE

BIRMINGHAM, ALA.

February 2, 1942.

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

Dear Sir:

The information contained in your letter of January 29th indicates that you should file an information return, Form 1099, for the employee to whom you paid \$1840.00 during the year 1941 and transmit it to the Commissioner of Internal Revenue, Returns Distribution Section, Washington, D. C., with Form 1096 properly executed.

We are enclosing two copies of Form 1040 and since your letter shows that you received income from your father's estate it will be necessary for you to file your return on Form 1040, regardless of the amount of your gross income.

Yours very truly,

Henry J. Willingham, Collector,

F. H. Buck,

Chief, Income Tax Division.

BUY
UNITED
STATES
SAVINGS
BONDS
AND STAMPS

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#### TREASURY DEPARTMENT

INTERNAL REVENUE SERVICE

BIRMINGHAM, ALA. Zebrupry 2, 1942.



Feb., 4, 1942 , motern . . . . .

Treasury Department Intenal Revenue Service Birmingham, Alabama

Mo. rederdless of the amount

I. H. Buck, Ohior, Income Pox Division. IT:FHB:F

Gentlemen:

I am in receipt of your letter of Feb. 2 and request that we be sent one ach of Forms 1096 and 1099.

Very truly yours,

Secretary.



encl.

June 12, 1959.

International Institute of Social History, Keisersgracht 264 - Amsterdam - C

Dear Sire:-

The editor of the Fairhope Courier handed me your letter of May 24th in which you ask to be placed on the mailing list of the paper. The Courior will be glad to furnish its paper without charge but did not feel that they could afford the additional cost of mailing.

I have agreed that for a time at least our Corporation will pay the cost of mailing since I presume it is largely due to Fairhope being a single tax community that you want the paper.

Under sepsiate cover I am sending you seme literature and should you desire more of like kind I will be glad to supply you. Surely we are much interested in spreading abroad any information that will be of assistance in pointing the way toward economic stability.

A few months past I had letters from two gentlemen in Budapest, Hungary, to whom I sent literature but I have heard nothing further from them. I hope they may not have been suppressed in by some of the all to prevalent reactions.

Very truly yours,

Secretary.

## Internationaal Instituut voor Sociale Geschiedenis International Institute for Social History Institut International d'Histoire Sociale Internationales Institut für Sozialgeschichte

Directeur: Prof.Mr. N.W. Posthumus



Keizersgracht 264 - Amsterdam-C.

A.v.S./L.S.

Telef. 34449

24th May 1939.

To the Administration of the "Fairhope Courier", Fairhope (Alabama).

Dear Sir,

Some time ago I wrote you a letter asking you to help us in sending your paper. I regret however, that we did not receive any answer, because this Institute is really of great importance for the study of social history and therefore I should have thought, that such an Institute, which is the only one of its kind in Western Europe, would have a prior claim on your generosity. Without such assistance it would be impossible for us to carry out our aim of establishing a really richly-stocked and useful library, where all the material is free at the disposal of students and research workers.

Would you be so kind to reconsider putting our Institute on your mailing-list?

Yours faithfully,

for the Librarian,

D. Willoha Mas Donar

Fairhope, Alabama, February 12th. 1938.

To The Fairhope Single Tax Corporation, Fairhope, Alabama.

Gentlemen: -

-

Georganna T. Ives is the owner of a hundred feet of land fronting on Mobile Bay, and extending Eastward therefrom. This land is about two blocks North of Fairhope Avenue and has been occupied by the Town of Fairhope and used for Park purposes there.

The Town of Fairhope is also in possession by conveyance from the Fairhope Single Tax Corporation, for Park purposes certain land adjoining Block Ten (10), Division Three (3), of said Single Tax Corporation. This land includes part of the Cliff to the West of said Block Ten (10) and the gully to the North of said Block Ten (10), together with certain land at the top of said Cliff and to the South at the top of said Gully.

Acting for the Town of Fairhope, I have negotiated an exchange by which Georganna T. Ives will convey by Warranty Deed to the Town of Fairhope all of the West end fronting on Mobile Bay of the land mentioned above as owned by her there, her conveyance to include all of the flat land there and part of her Cliff there. In exchange for this, the Town of Fairhope will lease to her for ninetynine (99) years, the land possessed by the Town, secondlyd described above.

This transaction has been approved by the Councilmen of the Town and the entire transaction is subject to the approval of the Fairhope Single Tax Corporation. It is for the purpose of this approval that I present this matter to your Executive Council.

Respectfully yours.

\$ Jours In agreement by and between the your of y sinhope and Swagooma love for the purpose of serving the sommer And individual interests of the furties Ins How I be same may be messeny to prevent trespose to that fortime of the Your park Sands which he along the whith to the west and morth of which the Mission those, of the lands of the of sichope Bringle of the Turperation, in the Your of Fairbox, is per its plat thereof filed for second Sept. 13, 1411, and to drevoise all reasonable lave to promt somage of fire the said fack property. and Justine its natural character. Mus. Iver futher spice That luring the life of this agreement the your of Fine -Lope shall have from use of that portion of for lands which for the stong hing the W. 100ft

of the Bright track west of the bluff, the You of I suhope agring to growt the Ame pour service reservable em to potest the same from five and to peserve the natural sharacter of the property. of his expressed may be terminated at any time it leaves to serve the amount interests of the farties thereto or upon se days, notice, tithe fill in the office of the How & Hickory Wirend by prem in by mail of wither party to the other; and of-In such notice has been delivered lither party shall have The piwilize of surreving Any pusmal effects That may be situated in the land of the other party, but Title to any such property remaining in the land at the final termination of this squament shall pass to the muce of the land.

Faithope Single Tax Corporation Fairhope Ala.

Los Angeles Calif. October 12th 1947

Gentlemen: -

My good friend Mr. Albert E. Shalkenbach who has been recently staying with me at my home, has interested me greatly with what he has told me of the singletax venture at Fairhope.

I would appreciate it greatly if you would send to me, all the matter which you have for distribution, on the colony and its operation, present condition, and its past history.

Thanking you in anticipation of the receipt of the desired information, I am,

35IO Larga Avenue Los Angeles 26 Calif.

Yours yery truly
H. A. Jackson

Oct. 30, 1947

Mr. H. A. Jackson 3510 Larga Avenue Los Angeles 26, Calif.

Dear Mr. Jackson:

We are pleased to learn of your interest in our venture here in Fairhope and to learn that our felelow member, Mr. Albert Schalkenbach is still spreading the gospel.

We do not have a complete history of the Fairhope colony but I am sure Mr. Schalkenbach has informed you of the highlights of Fairhope's founding.

Though Fairhope is the youngest of the communities now located on the Eastern Shore of Mobile Bay and had to accept a site that had been rejected by the others it is now larger than the combined size of all others and is recognized by all as being the most progressive and the most attractively developed.

So far as I am able to betermine there is no explanation of this other than Fairhope's greater freedom of access to land and the fact that its public revenue plan lightens the burden of customary taxation on industry.

Under separate cover I am sending you printed material I am sure will interest you. Should there be further enquiry you may care to make be assured we will be glad to hear from you.

Very truly yours,

Secretary



Feb. 20, 1939.

Mr. Herbert B. Jackson, 922 6th Street, International Falls, Minn.,

Dear Sir:-

I am pleased to receive your enquiry prompted by our

ad in the Baldwin Times.

Our corporation is not as you have suspected a promotional organization whose primary interest is profit. In fact ours is an nonprofit corporation established to demonstrate an economic policy that we will feel sure must be adopted by the nations of the world if civilization shall survive.

Our "Declaration of Independence" declares that man has certain inalienable rights with which his <u>creator</u> has endowed him and that among these are life, liberty and the pursuit of happiness. Our constitution was evolved with the primary purpose of securing man in these inalienable rights but all over our nation we have a public revenue system that is responsible for the greatest offense against these rights. The public revenue system commonly in force deprives through taxation each individual of a considerable portion of the product of his labor and enterprise upon which he is dependent for the support of life and the pursuit of happiness and is a restriction on liberty.

It is true that we have need of the government and the government has need of funds to support it but there is a publicly created value from which this support can be derived that is now going to the private owners of land. Every bit of the value attaching to land is created by the whole of society and no single individual can give any value to land. It is for this reason that individually produced wealth is invested in land that the owner has no intention to use himself. He knows that he can add to the selling price the collectively created value that every wisely expended dollar of public revenue will produce and at no personal expense to him. In an growing community where men are having need of land to live on a higher standard and to broaden their pursuit of happiness liberty to do so is restricted by speculative holding of land made possible by this wrong method of providing public revenue through taxes on private property.

Fairhope was founded to demonstrate that government, by collecting he publicly created rental value of land, could most effectively maintain equal opportunity as set forth in the constitutions and could at the same time provide adequate public revenue. Faithope was founded more than forty-three years ago. Our corporation owns over 4,000 acres of land with more than 3,000 of it in agricultural lands adjoining the town.

can be secured without purchase price except it have timber of marketable value in which case the market value of the timber must be paid. Tosession is secured through the issuance by our corporation of a 99 year lease contract which insures possession of the land to the lessee so long as he pays the rent as fixed by the corporation council to reflect the varying advantages. There are also improved a partially improved lease-holds offered for tale from time to time and these can be purchased from the lessee at the value of the improvements only. So whether one wants raw or improved land it is not necessary to pay anything for the land.

Under separate cover I am sending you literature and forms which will explain our plan in detail and I shall be glad to answer any furtherm questions you may care to ask.

agriculture is having the same struggle here that it is having in other parts of the country and the rental charge on our farm lands has been declining rather than advancing. The phenominal success of Mr. Peacher was not duplicated by many others no by the majority of cucumber raisers in this section. We believe it to be misleading to give out such information but we do believe that wisely expended capital and labor here will give a return comparable with other sections and we know that it will in exceptional cases bring a phenominal return as in the case referred to.

There are paper mills in Mobile and more being built and it is possible that you might have employment there while getting your start here. Mobile is only 25 miles from Fairhope and less than that to the sites of the mills and there are good roads connecting. Quite a number of our citizens work in Mobile.

I believe it would be a mistake for you to devote any part of your earnings to the purchase of land but it is for you to decide and I assure you I wish you the best of success in whatever you decide to do.

Very truly yours.

Secretary.

Gentlemen: - I am in receipt of a copy of the Golden Anniversary of The Baldwin Times, and note your advertisement of lands in your County and as we are wanting to acquire a small tract of land somewhere in the South where it will be possible to make our living from growing some early vegetables and keeping a few poultry, we would like very much to hear what you have to offer us as new settlers in your vicinity. I am working in the paper mill here, have been working here about 18 years but you perhaps know there is not much future for most of us who try to get ahead at such work as the work is to uncertain, some years we have just been able to barely get by and others we have had to use up what little we had saved in the fair times so we have been thinking of getting a small tract of land in the South where we could have a Home of our own and get it paid for before we get to old to work at this work in the mill, -- Now, what we would like to do is this, get a small tract of GOOD land and get it on terms so we could pay for it while still working here and have some of it cleared and ready for some crop before we decide to move, -- What can you say to this plan --I am going to write to some of the others who deal in lands down there and see what they have to offer, have talked with quite a number of folks here and many think it would be a good thing if we could get several families together and go down ther and try to get a home on a small farm, now have written to the Perkins Development Co, and asked them if they could give me any pay for land they may sell to people whom I put them in touch with, or if they could give me work getting folks together and bringing or sending them down to them, could you give mw anything to do in this line and if so what would be the pay, I have a friend here who is working for a Texas Co, he arranges parties to go to Texas, he is getting a salary but I would be willing to work any way you think would be best for all, would be glad to do, most anything to obtain a small tract where we could call it our own, If we could do something like Mr. Stanley Peacher of Loxley did on his cucumbers I am sure we could come back here and would be able to get a good many folks to come to Baldwin County to make their home, I have a phamplet from the Perkins Co, in which Mr. Peacher states he cleared \$1285 on 5 acres of cucumbers in 1938, and you see he did this in less than 90 days time from planting to finish of harvest and that is more money than many men make here in the mill in a year, now if I could do someting like that in so short a time as a Baldwin Co, farm I beleive we would be able to get half of this town to come down there, at any rate let's hear what you have to offer, Cordially yours

Herbert B. Jackson

Sept. 16, 1941

Walter James, Columbiana, Ohio,

Dear Walter:

I am in receipt of your letter of the 12th and the one dollar which I am returning to you. I also enclose a little explanatory folder of the modus operandi of our corporation and "What is the Single Tax?", on the last page of which you will find enum-erated the various propaganda agencies of the Single Tax, including the Henry George School of Social Science, which I believe would be most appropriate for

your purpose.

In the September 13, 1941 issue of the Pathfinder, probably available on your news stand there,
you will find a full page ad on the back page, describing the Course of HGSSS. The course is free and is uited to home or group study, the only charge being one dollar for Progress and Poverty.

I would suggest that you take this matter up with all listed on the back of the folder above mentioned and that you communicate also with the Benjamin Franklin Research Society, Inc., Room 405, 339 Carondelet Street, New Orleans, La. My latest infor-mation was that they were planning a presentation particularly featuring the rural aspects of the problem.

I wish to commend your interest in these matters and to assure you of all help we can give.

Sincerely yours,

Secretary.

# Columbiana, Chio. 9-12-1941

Dear Friends of the Fairhope Singletay Corporation. a few days ago I was talking to one of the boys from the Civilian Public Service camp at Merom Ind. He is interested & he says some of the boys are studying the rural or agricultural side of the economic problem.

I think it is a good chance to spread an understanding of the Singletax principle so I told him I would see that they are sent information. I am inclosing one dollar for you to use for the best educational material you are able to

send direct to Robert Starbuck

C.P.S. Camp 14 Meron, Indiana.

Please send me a list of your choire for him & also a complete this of available material if you can, as I hope I may be able to get it before the boys in some of the other camps.

The boys in these camps are in ernest about building a better world thru peaceful means or they would not be giving their time & paying their own expences in their camps. Sincerely Walter fames Columbiana, Ohio.

11 LAW OFFICES ASSOCIATES: OLVANY, EISNER AND DONNELLY W. D. JAMIESON **NEW YORK** 517 - 518 SOUTHERN BUILDING FERGUSON AND FERGUSON SHENANDOAH, IOWA WASHINGTON, D. C. October 3, 1938. C. A. Gaston, The Courier, Fairhope, Ala. Dear C. A. Gaston: I have had on my desk before me, for quite some little time, the Courier of September 8. Had put a blue pencil mark around the article which you had in that issue, headed: "Criticism of the WINDOW SEAT." I was mighty glad to see this criticism on a number of accounts. It will make all the Courier readers tend to do some more thinking about matters, it indicates your independent thought and fearlessness in giving expression to it, and you say some good things in a good way. There are a number of other reasons why I was glad to see it but this is enough. Never be afraid to criticise anything I write on account of my feelings. Instead of offending me or hurting me, please remember that it will always please me. Cordially. WDJ/P

Mr. W. D. Jamieson, 517-18 Southern Bldg., Washington, D. C.,

Dear Mr. Jamieson:-

Sometimes your comments on present day economic problems seem quite strange appearing in the Courier which has supported for more than forty-three years the sound economic philosophy of Henry George.

Your recent comments on the proposed remedy for elimination of the evils of "trusts" was particularly at variance with the policy of this paper and we had a letter from a fellow Singletaxer in New York, Mr. Whidden Graham which we printed in the last Courier and which I enclose.

I am also attaching a letter I wrote to Mr. Graham in which I reproduce a letter I wrote to President Rossevelt in May. I enclose some printed literature whic I believe you will find interesting and enlightening.

I feel sure you have made some study of the principles set forth by Henry George but unless one keeps in touch with even accepted remedies he is apt to overlook them when seeking the cure of a malady he has not recently had to consider.

The Courier has had quite a number of commendations for its reinstatement of your column. I hope you will not be offended by my mild criticism and I hope it will be of help to you in your study of the grave problems with which our country is faced.

Very truly yours,

LAW OFFICES ASSOCIATES: X OLVANY, EISNER AND DONNELLY W. D. JAMIESON **NEW YORK** 517 - 518 SOUTHERN BUILDING FERGUSON AND FERGUSON SHENANDOAH, IOWA WASHINGTON, D. C. Sept. 1, 1938. C. A. Gaston, The Courier, Fairhope, Ala. Dear C. A. Gaston: Thank you for your good letter of August 15, with its enclosures. Wanted to answer it immediately, but a press of other matters which I simply had to attend to have prevented. Instead of my feeling the least particle offended by the mild criticism which you implied about the WINDOW SEAT article to which you referred and about which Mr. Graham wrote you, I want you to know that I am grateful for such criticisms. You are a splendid writer, and it is evident you are well founded on Single tax matters. Therefore, any comment from me on economic matters which may be at variance with the Henry George theory is entitled to your serious and constructive criticism. This is the finest way in the world to get people to do somet thinking. As I meditate on the general trust and monopoly situations. I think some temporary remedy must be applied even though Henry George's fundamental remedy may be the right answer. The Henry George remedy is so sweeping that I am certain it cannot be put into effect at any near future time. Please know that your earnest and constructive criticism of anything in the WINDOW SEAT adds to the value of the WINDOW SEAT from the viewpoint of your readers, because they always take more interest in controversies than in mere statements. Besides, it will make them do some thinking. And thinking is what this country and the world needs right now above everything else. It pleases me that you are getting so many commendations for your return to the use of the WINDOW SEAT column. I am putting in very earnest effort on this weekly letter to make it of real value to Courier readers. You certainly wrote a keenly intelligent and thoughtful letter to the President. I compliment you upon it. You don't know how glad I am to be associated with you again in the work on the Courier. I think you are getting out a fine paper and I want for all of you a large measure of success. Always glad to hear from you. Cordially, WDJ/P

turn in on Rent elg on several times

July 30, 1935.

M. J. Jansen, R. R. Fairhope.

Dear Mr. Jansen:-

The Council has had under consideration the condition of your rent account; balance up to date, (including last half of this year, 334.64) an instructed me to write you that this condition cannot be permitted to continue. As your annual rent charge now is \$96.14, you will see that you are back nearly four times years rent.

we appreciate how hard times are but if you can not do better with the use of as much land as you have under lease, without having anything invested in the land-that is aside from improvements—and the Colony paying in cash the taxes on the land; there appears no reason why you should be permitted to continue to hold it.

The Colony is willing to do an ything reasonable but I am instructed to say that unless within 30 days of date, You have materially reduced your indebtedness, the Council will feel it to be its duty to put your improve ents up for sale.

Yours truly.

Secretary.

Sept. 16, 1935.

Mrs. Ivy P. Norton, 155 So. Conception St., Mobile, Ala.

Dear Mrs. Norton: -

Mr. Jake Jansen has tentatively proposed the surrenderto the Corporation several parcels of land, with the improvements thereon to be credited on the delinquent rent on land which he reatins. There is noting in our records to show any conflict of rights to any of the lands proposed to be surrendered, but Mr. Wolcott is under the impression that you made some claim to him at one time, regarding one parcel the net of of net of SE. of Sec. 22, transferred by A. Aranza to M. J. Jansen, Feb. 17, 1931 according to our records and suggests that I advise you of the pending negotiations, which I here by do, though my own opinion is, that considering the arrearage of in rent of Jansen and the small figure for which he proposes to turn over title to the improvements (which includes no buildpings) and the priority of the Corporation's câaim, you have no enforcible claim.

Too badabout the deathor Lucille Troup--a very fine young woman. We were shocked and extend sympathy.

Yours very trutt. Blaston

Secretary.

## FAIRHOPE SINGLE TAX CORPORATION

ADMINISTERING

# Fairhope Single Tax Colony

ESTABLISHED 1895

FAIRHOPE, ALABAMA

Sept. 16, 1935.

Mrs. Ivy P. Norton, 155 So. Conception St., Mobile, Ala.

Dear Mrs. Norton: -

Mr. Jake Jansen has tentatively proposed the surrender to the Corporation several parcels of land, with the improvements thereon to be credited on the delinquent rent on land which he readins. There is noting in our records to show any conflict of rights to any of the lands proposed to be surrendered, but Mr. Wolcott is under the impression that you made some claim to him at one time, regarding one parcel the net of of ne. of SE. of Sec. 22, transferred by A. Aranza to M. J? Jansen, Feb. 17, 1931 according to our records, and suggests that I advise you of the pending negotiations, which I hereby do, though my own opinion is, that considering the arrearage of in rent of Jansen and the small figure for which he proposes to turn over title to the improvements (which includes no buildings) and the priority of the Corporation's calaim, you have no enforcible claim.

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Yours very truly,

Secretary.

Och - 2 - 35

lor E. B. Baston:

Now bought by my father, from

Arong a and sold to fanser we

laking marlyage notes on inflower

- mints & all grown on the lind

He has never faid the firmethly

for last years He renewed the notes

Part Och, the will be dozon soon and by

# FAIRHOPE SINGLE TAX CORPORATION

ADMINISTERING

## Fairhope Single Tax Colony

ESTABLISHED 1895

FAIRHOPE ALABAMA

Sept. 18, 1935.

Mrs. Ivy P. Norton, 185 So. Conception St., Mobile, Als.

Dear Mrs. Norton:-

Mr. Jake Jansen has tentatively proposed the surrandevice the Corporation several parcels of land, with the improvements thereon to be credited on the delinquent rent on land which
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Too be about the deathout Lucille Troup -- a wary fine young woman. We ware shocked and extend sympathy.

Yours very truly,

Secretary

hr E. B. Barborn: In

In Powell norton

get the mother stronghland on

Oct. 14, 1935.

Jake Jansen, Rural Route, Fairhope, Ala.

Dear Mr. Jansen:

At its late meeting the Colony Council acting on Mr. Smith's recommendation, approved your proposition to let the clearing and fencing on west half of ne, of SE. of Sec. 22 apply on the rent of your home forty at \$10,00 an agre. or \$200x \$300.

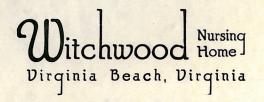
If this is according to your understanding it would be proper for you to send in your leases covering the land in question, that endorsement of the surrender of the 20 acrs may be made thereon and receipt given you for the amount allowed.

It seems to me that you were going to make a like offer on some other pieces, but Mr Smith did not report on any
other pieces than that mentioned, except the net of ne.t of SE.
quarter; which Mrsx the Powells assert a claim which we thought
we would let stand until they get back from the east.

my Please attend to this soon,

Yous very truly,

s cretary.



December 12, 1939.

Mr. Wolcott, Colony Treasurer, Fairhope, Ala.

Dear Friend:

I sent my check for taxes to Mr. Perkins and asked him to pay you and get a receipt.

A few days ago I had a letter from him, enclosing assessments for State and County, but he did not enclose the receipt.

I am enclosing the assessments for State and County. Will you kindly deduct the Colony tax and fill out the enclosed check for the balance due the State and County and mail it to the Tax Collector as soon as possible.

Yours very truly,

E. Jaudine

(Mrs. Ellen Hardine).

Please pay the Stole and county topic wintrant fail.

3642

December 17, 1940.

Mr. Bart Jehnings, Fairhope, Ala.,

CB (4)

Dear Mr. Jennings:

Our difference appears to be that you considered you paid in full the first half of the 1939 rent when you made the payment of \$17.00 February 8, this year.

The first half of the 1939 rent was charged at \$18.15 and our records show as follows:

| Jan: 1, 1939 Rent charge 1st 1939 \$18:15 Feb. 8, 1940 Penalty 4-1-39 to 2-8-40 1:24 Total 19:39 Feb. 8, 1940 credit tax rec. & cash 17:00 " " Debit balance 2:39 Dec. 17, 1940 Penalty on rent bal. 07 Unpaid 1939 rent and penalty 1st 2:46 | 1.2 4             |
|---|-------------------|
| July 1, 1939 Rent chg. 2nd 1939 \$18:14 Dec. 17, 1940 Penalty 10-1-39 to 12-17-40 1:60 Total 19:74 Dec. 17, 1940 credit tax recipts - 11:45 Unpaid 1939 rent and penalty 2nd 8,29   | 1.15              |
| Jan: 1, 1940 Rent charge 1st & 1940 . \$18:21<br>Dec. 17, 1940 Penalty to date 1:03<br>Total 19.24  | 70.75             |
| July 1,1940 Rent charge 2nd 1940 \$18:21<br>Dec. 17,1940 Penalty to date 31<br>Total 18.52  | 4.2<br>2.4<br>1.3 |

You will note from the foregoing that it will take to balance your account for 1939 rent, the payment of the \$2.46 still owing on the first half of the 1939 rent and the balance of \$8.29 on the last half of the 1939 rent after allowing credit for the tax receipts delivered by you today.

livered by you today.

I trust that this will be clear and may I suggest that you examine the statements we send and report to us if they do not agree with your records.

Very truly yours,

THE LAND 16.78 3 3 5 2 3 3 5 6 Jan 1. 1937 5.30 by la: Bal to 1937 Rent 16.78 1 st halb apr. 8 1934 lo tax 5.78 lach 5.71 11.49 10. 19 hr. Bul 14.79 18.15 101 July 1, 1937 Bal 7260 16.77 11 2 1 2 2 not half 3630 Dec. 31, 1937 Para to date 17.18 Pr. bol. 17.11 711 17,10 .13 Jan 1, 1438 Bal food 16.79 " " " Heat half 51 18/5 34.40 3630 34.40 34.40 July 1, 1938 2nd half 16.78 Die 31, 1938 Pm to date 34 17.12 19/2 Jan 1, 1939 Bel Fud Cent 16:78 17.12 Our .3.4 18.15 18.51 Fit 1/2 Dan to date on 16.78 all 12 9 .24 1.4808 Fil. 25 Tax Res: 4.25 Cash 1.11 17.36 11 11 3.6 1851 June 3,0, Pin to date on 18.15 35.87 35.87 nd & Bul 138

814 122 40.70 6.92 1.2210 867 Set partial bill frame Eistle 16:41 28:20 25-00 6-64 5-28 16-43 53.35 E 0.81 24.62 12.30

July 1 1939 Bt, 4 wel Rent 18,15 July 1 1434 But half 4 10 - 136 18.51 18.14 73 Die 31 11 Pen fot half 18.15 .36 37.74 37.74 Jan 1, 1940 Bet. Fwd Fet. half 18.15 2 md 11 18:14 37.74 Pm 11 .11 .36 Pen Fat half39

of at Ric 500

l ash 1200 17.00 7 ch. 8/1940 7 M. 8 1940 . 1.15 File 8 11/10 Balduce 12t 1/2 193 9 Rt. 1.24 .07 Due 17 O Pune en 1.15 to dele 18.14 14 Last 1/2 1434 Rent Pm. 10-1.39 to 12-17-40 1.60 22.30 123 10.85

March 10, 1937

Mr. B. H. Jennings Fairhope, Ala.

Drar Mr. Jenninge:

I enclose delinquent tax notice from the County Tax Collector and urge your immediate attention to payment of same.

When paid bring the receipt to our treasurer for credit on your 1937 account.

Very truly yours,

Secretary

CAG/mg

2532 magrunn dor.

July 17, 1947

Miss Katherine Jenkins General Delivery University, Alabama

Dear Miss Jenkins:

I am in receipt of your letter of July 9, and am very happy to learn of your interest in the single tax and particularly with its application at Fairhope.

Under separate cover I am sending you material I am sure you will find helpful if it has not already been supplied. It would be most advatageous for you to come to Fairhope to get material. Here in our office are all of the council minute records except for the first few years and those were deposited with the Department of Archives and History at Montgomery. When that department had the services of W. P. A. employees they proposed to make copies, keep the original and furnish us with two copies, one for our office and one for our public library. However the service of such employees was terminated before the work was done. Also there is considerable material in our local library and the files of the Courier, our local newspaper are almost complete and available. The Courier was born with the colony organization and was published during the formative period of that organization at Des Moines, Iowa.

I have information from James Mitchell that you intend to come to Fairhope about the 25th of this month planning to stay about three weeks. I regret that I am leaving tomorrow so will not be here on you arrival. I anticipate returning about the 5th or 6th of August so would be here before you return. I shall leave word in my office of your prospective visit and every effort will be made to be of assistance to you. If our State could only grasp the importance of the single tax in its relationship to the welfare and prosperity of its chizens and the just basis it provides for the raltionship between the government and the citizens, I am sure Alabama would not only be the first state in the Union with respect to the alphabet but also the first state in the Union with respect to sound leadership.

It will be my pleasure to give you all the assistance I can and I am sure will find others here willing to be as helful as they can. I shall look forward to seeing you in Fairhope.

Very truly yours,

Dear Dr. Gaston, July 14, 1947 The other day a gradceate student in political science contacted me about her master's thesis; she is writing it on Fairhope the central theme is single tax " Consequently, she plans to stay lin Thishope for about three weeks this summerfrom July 25 to the middle of August. Rather than Stay at the Colonial Inn, ittwould be they

for her to live in a home; also, she could partable of more of the general almos-phere of "Fairhope" (spirit etc). Maybe she could with you folks, the nicholo the totles or the Camp bells I will write mother and she could investigate ask those I've mentioned Please be perfectly hands as to whether such and arrangement would be feasible and whether it would be an imposition.

Her name is Katherine Jenkins and she is from Birmingham. Jast mg we discussed ta and she has already acquired a surprising amount of information about single

Fairhope, alabama

Katharine Jenkins Beneral Aelivery Universetz, Malama July 9, 1947

Dear Sir:

I am doing graduate work en pauli eal recence at the removeraity of alabama. I have become very interested in the application and success of the single tax plan in Fairhage, and have decided to write my masters thesis on it. I would appreceate it very much if you would send me any available data that you knew on Fairhope, and if possible inform me as to the location and accessibility of any material which eyou might not be able to send. I will be glad to reinburse for any cost involved. I am particularly concerned with the function of the single tak corporation within the municipal government, the history of the single tak corporation, the method of financing, and extent of public utilities, parker and recreation centers, the cultural life of the community and the actual city government.

Macus truly, Katharine Genkins

Dr. C.a. Yeston: takope - Hear Dr: - This will the handed to you by Harrison accounts a young wave who is whomist in The tratter of laced burens of Lugach her hopes to acquire a workest holding for the weaking of a hora. I have ahord him to contact you for Juli concerning sugle lox is caling tacks - I have know this young wan for serval years and their way couling shows him. Mrs. Jaque and foir in success good wishes to you Siendy Gerry, a segue

+1-00 Jan. 30, 1939. Miss Wildred Jonson 329 Central -ve., Dayton, Ohio. Dear Miss Jensen: -I am sorry to report that the issue of the Courier carrying the reports on Mrs. Johnson's death is entirely exhausted, I am glad you enjoyed your visit here and hope the direct information you secured will be an aid in your presentation of the subject to your students. I am mailing you a copy of the Courier con-taining a report of the annual meeting of the Cor-poration membership which I feel sure will interest you. Bent collections last year were the highest in the history of the Colony, \$35,251.95. While the collected rents in 1930 were almost as high, \$32,532, the conditions were not of a stble character as they are today. Bent was paid on many lots that were not leased for use but in the hope of the leasees to speculate. This hope was frustrated by policies of the Corporation and many surrenders of unused lease. holds resulted. The present lessees are to a very large extent bona fide users of their land. I shall be very glad to furnish you information dencerning the Colony whenever you may desire it. With best wishes for your success in our common cause I am Very truly yours. Secretary.



329 Central aversion Daugton. Of Jam. 6.

- Our trip and short visit with you was greatly enjoyed. We're very grateful for your time and material. If the present issue of the Courier contains any account of mos. Johnson, might I have a couple of copies?

Dincerely

Mildred Jensen

March 22, 1938

Miss Mildred Jensen 311 N. Robert Blvd. Dayton, O.

• Dear Miss Jensen:

Please do not gauge our interest in your inquiry by our tardiness in raplying.

We are particularly pleased to have thinking people investigate our policies and the great fundamental principles on which they are based. We feel confident that our country cannot have a balanced economic system so long as the publicly dreated land values are allowed to go into the pockets of the private owners of land and the public charges the private producers of wealth with the cost of government.

Under separate cover I am sending you a map of the southeastern states and some pamphlets on our experiment at Fairhope.

We shall be glad to hear from you at a later date and assure you that we shall be glad to give you all necessary attention on your arrival in Fairhope.

Very truly yours,

Secretary

CAG/mg

311 N. Robert Blvd., Dayton, O. Merch 5, 1938

Director, Fairhope Community, Fairhope, Alabama.

Dear Sir:

A group of young men and women here are interested in taking a trip this summer, to study conditions in the South and would like to visit various agencies that are directing constructive trends. If it is pos, sible we should like to come to your community for study of your policies, philosphy, and techniques. Would it be possible for some ten of us to be shown over the community, with a qualified person to explain its development, and implications? We should hope to stay a day or two, tarriving sometime toward the end of June if present plans carry. We hope to travel camp style, and would be interested in inexpensive accommodations.

Could you estimate the distance to Fairhope from Chatanooga, Tenn.? Also, how far is it from Clarksdale, Miss.? If you have any suggestions for traveling in the South, we should appreciate it, and shall await your response eagerly.

Our group would be composed of teachers, factory, and office workers. Some are emembers of a Consumers' Cooperative here. Some have studied Henry George. All are interested in the social and economic problems of today.

Sincerely,

Middle Jensen

February 16, 1943

Mr. Peter F. Jensen 622 N. Lombard Avenue Oak Park, Illinois

Dear Sir:

We are very pleased to have your latter of inquiry about Fairhope. Under separate cover we are sending some literature which we are sure you will find informative; and we have asked the local paper to send a sample copy to you. We are also suggesting that the Mingle Tax Corporation send you some literature.

Just at the precent time all of the facilities of Fairhope except the better hotel see taxed to capacity due to the influx of war workers employed in defense plants in Mobile.

If you have the opportunity, we would invite you to visit Fairhope and decide for yourself as to the desirability of this community as a place for you to retire to. We are confident of your decision and you may be sure that we will be glad to give you my further information you might like to have.

Yours sincerely

President.

KW:DP

Mailed 2/18/43: Lease, Application, Constitution, Colony and Allen folders.

December 1, 1953

Clerk of Fairhope Single Tax Corp. Fairhope, Alabama

Dear Sir:

I would like to obtain a copy of your lease for study in democracy at Baldwin County High School, Bay Minette, Alabama.

If you could send us this information, it would be greatly appreciated by my class and me. My address is Rt. 1, box 85-A, Bay Minette, Alabama.

Thank you,

Herman Jerkins

Fab. 9, 1938 Mr. A. Jernigan, Fairhope, Ala. Dear Sir: The council took no action regarding your offer to rent the Williams place. There are prospects of being able to dispose of the property on more advantageous terms. Very truly yours, Secretary CAC/mg

## FAIRHOPE SINGLE TAX CORPORATION

# Fairhope Single Tax Colony

FAIRHOPE, ALABAMA

July 19, 1938.

Mr. Jewell S. Jewell, Corry, Pa.,

Dear Mr. Jewell:-

In checking over my records I ran across your letter in which you asked me to report to you if Mr. Joiner did not keep up with his obligations on your property here.

I enclose statement which was mailed to him the first of July this year. Since this statement was mailed he has brought in the county tax receipt but this accounts for only a very few dollars.

Mr. Joiner keeps promising that he is going to get in position to make regular payments and clear up this indebtedness but his past performance does not bear out his promises. He has told me that he has your lease fully transferred to him. Is this correct or have you still an interest in the property?

If Mr. Joiner does not get this account and the one on his property in the country in bet-ter shape very soon we will have to sell for the collection of the delinquent rent. Please let me hear from you if you still have an interest in the property.

Fairhope is Quite actively growing. A number of new residences are being built or are completed both here and along the shore. I am sure you would find many changes should you drop in on us and I assure you we would be happy to see you.

Returned
Very truly yours,

Millivered
Secretary,

July 19, 1938. Mr. Jewell S. Jewell. Corry, Pa., Dear Mr. Jewell:-In checking over my records I ran across your letter in which you asked me to report to you if Mr. Joiner did not keep up with his obligations on your property here. I enclose statement which was mailed to him the first of July this year. Since this statement was mailed he has brought in the county tax

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Very truly yours,

Secretary,

Corry, Pa. Q.f. 6, 36 Mr. C.a. gaston, Lingle Par Corp. Fairkope, ala. Dear Mr. Gaston:
your notice in regards to tax
assessor received and I have mailed same to Mr. John Joyner, who is in charge of the place and has all of my papers and is representing me in my absence with full authority. He is, also, supposed to keep up all expenses. Please notify me at any time if he fails to do so. Many thanks and congradulation to you for your fine showing in the past election and hest wishes to all yours bruly, J.S. Jewell. Carry, Pa. Route four

#### FAIRHOPE SINGLE TAX CORPORATION

ADMINISTERING

# Fairhope Single Tax Colony

ESTABLISHED 1895

FAIRHOPE, ALABAMA

July 3, 1939.

Mr. Axil Johnson, Fairhope, Ala.,

Dear Lessee: -

Confirming our conversation regardthe lease hold of Nettie F. Johnson in Blk.
2-N, Div. 2, the renton the south portion is
unpaid for this year in the amount of the full
annual rent, \$21.52. The first half is now
delinquent and will be subject to a penalty
charge of 8% per annum until paid. The second half is also now due but will not be subject to penalty until Oct. 1st.

I find that the state and county taxes for 1938 have been paid but the Town of Fairhope tax for 1938 in the amount of \$12.00 remains unpaid and has been delinquent since January 1st, and subject to 6% interest until paid.

Very truly yours,

Secretary.

Copy to Carl L. Bloxham, Agt.

July 3, 1939.

Mr. Axil Johnson, Fairhope, Alas,

Dear Lesses:

Confirming our conversation regardthe lease hold of Nettie F. Johnson in Blk.
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fery truly yours,

Scoretary.

Cory to Carl L. Bloxham, Agt.

Dec. 8, 1947

Mr. A. J. Johnson 10 Norman Bridge Ct. Montgomery, Alabama

Dear Sir:

I am in receipt of your letter of Dec. 3 and I am enclosing a copy of our lease contract, together with the application which constitutes a part of the lease contract; also a copy of our constitution which explains our purpose and aims.

We do not have much land available at the present time but there is a considerable traffic in improved lease-holds. In such cases one buys the improvements of the present lessee and is issued a new lease to the land. I shall be glad to furnish you such additional information as you may desire.

Very truly yours,

Secretary



Montgomen, Ela December 3-1947 Single Lax Corp: Zairhope, ala Lear dir: I understand you have a good proposition, on land lease. Will you please send me all information Coucerning? & Oblige. yours truly a. J. Johnson.

March 2, 1936

Mr. M. E. Johnson Magnolia Sorings Water Route Baldwin County, Ala.

Dear Mr. Johnson:-

I am now prepared to give definite figures and terms for the requirement of a lease for our 40 acres in section 2, T 7 S, R 2 E.

The value of the timber on this land has been estimated to be \$350.00 and this amount would have to be paid to the corporation as a purchase price before possession would be given. Rent on the land was placed at \$1.25 per acre or \$50.00 per annum. At this figure no deductions would be allowed for defects. Application for a lease would have to be accompanied by a payment of \$25.00 for 6 months rent, which would be returned, should your application not receive the approval of the executive council.

Please communicate with this office if you are interested.

Very truly yours,

Secretary

Jan. 16, 1940.

Mrs. Lulu L. Johnstone, 1830 Willno Avenue, Topeka, Kansas,

Dear Mrs. Johnstone:-

turn to Pairhope this winter. While we feel that we have has an unusual amount of low temperature weather of late there has been much sunshine and we learn that exceptional temperatures are prevailing in other parts too.

I enclose the bill for the first half of the 1940 rent and the receipted bill for your 1939 County Tax which we paid and which I suggest that you file with your receipts. The rent bill should be paid before the first of April.

Whenever I can be of any service to you please do not hesitate to call on me. Be assured of our sincere sympathy. While our acquaintance with Mr. Johnstone and our association with him was insufficient to enable us to fully appreciate your loss it was sufficient for us to know that loss was a very great

Sincerely yours,

Secretary.

Jan- 1-40 1830 Willes Armer-Lafraka - Kansus. Drur Mr. Gustin: Will you planse arline me when our tuyes are due on Jul amount down. I have had a plansant holidage Source have with my dainy there and have has land. But life and the world in former will num look the same without my companies. He Kum six inclus of run have and its row To Unlow gero at times - so I lung for our rule of authors

22 soulla I hope my dany hter will in able to come with me in a gow works. Rummelso my kindly to Mr. Weloutt- and with bush wisher Jor you and the Grinds who were so kind when I so winderd it - Jame Mrs. Vr. E. Hulu L. Johnstone Oct. 17, 1938.

Mr. Edw. Johnstone, Michagamme, Mich.

Dear Mr. Johnstone:-

I enclose herewith a letter I have just written to Miss Brakeman.

I feel sure that there will e no difficulty in making suitable arrangements for the transfer of Miss Brakesan's property to you should you decide to buy it.

All rent due on this property is paid to the first of the year when the first half of the 1939 rent will become due.

I enclose a copy of the form on which leases are written which explains the terms; also a copy of the application for lease and of the constitution of the Corporation which sets forth the principles on which the Corporation is founded and which I hope you will take time to read.

I am pleased that you desire to have a home in Fairhope and I wish to assure you that I will be glad to be of such help as I can to assist in your accomplishment of your aim and further in insuring that you do not regret your move.

Fairhope's prospects for the future look good, except that it now appears that we may be short of suitable accompodations to take care of all who may want to spend the winter with us. However more houses are being built now and fortunately our Corporation has many good building sites that can be secured without the payment of a purchase price, having in it the increased values that are the result of the community's activities.

If there are further questions please let me hear from you.

Very touly yours,

My dear Mr Gastin I am interested in your bity and it is my intention now to any view some sort of a home in your bommunity. Then is a proposition now before me & before accepting it wish to men when he assissueed is due and just how to go ahead and close he deal, as I anderstand these people do not a aux a Real Estate agent to handle it, thereby Daving a commission of prosunt. Any information you may quix ing will be appreciated. I unagine the transaction avoiled be largely attended to by your Office. Gorno Respy Eden Johnstone Michiganny Mid we lived last inter ne or you in Mr. Gal bruk appx

Sept. 27, 1938.

Mr. M. F. Joliffe, Bangor, Wales,

Dear Sir :-

Your letter of August 6th addressed to the editor of the Mobile Register, having been referred to me I amvery happy to relate that Fairhope is still actively existing on much the same basis on which it was originally founded.

The complexion of the citizens has changed considerably since the early days and Fairhope's inhabitants now are a quite cosmopolitan people, a rather typical cross section of the United States as our populace is drawn from all sections of the country.

In the earliest days Fairhope had the reputation of being a "crank" community, since only those were attracted who were advanced thinkers and their various eccentricities made them stand out as distinct from the common run of citizen. However as time went on the economic advantages of the principle on which the community operated attracted others until, as I said our citizenship appears more ordinary.

However one of Fairhope's outstanding characteristics is its spirit of tolerance for the beliefs of others. The community is democratically governed so there is, of course, a keen interest and some "political quarrells" at election times when candidates are competing for office. These do not seriously upset the general good feeling however and the community spirit is generally one of harmony.

Under separate cover I am sending you some printed matter that I am sure you will find interesting and should you care for further information I shall be glad to hear from you.

Very truly yours,

Aniversity College of Aorth Wales, Bangor.

Dear Sin,

Con you flear assist me in his following

enquing? I wish to know something of the recent history of a

Community known as Fair hite (struted in 1904). I

believe that is publish, a paper called his Fairhope Cornier

and but the village Fairhope affords a refuge to person, who

wish to be sheltered from the temptation of political grands,

pusais of people and community that any of your

readers know whether onch a community exists and if so, in

what condition? If is has ceased to exist, when did is

case and in what aircumstances:

Hanking Van Jam Johns Faithfully 17. F. Jolliffe. 6. Um. 38

Pottor Mile Register Clabama Dear Corny:

Here's a letter that came here recently and I guess you are the best man to answer Mr. Jolliffe's questions, so I'm turning it over to you.

Regards

THE AMERICAN LEGION DEPARTMENT OF ALABAMA HEADQUARTERS 108 N. McDonough STREET MONTGOMERY OFFICE OF ADJUTANT D. TROTTER JONES P. O. Box 1069 TELEPHONE 2-2042 MONTGOMERY, ALA. January 15, 1943 Mr. C. A. Gaston Fairhope, Alabama Dear Comrade Gaston: I appreciate very much the information you gave me concerning the Organic School there in Fairhope, as well as the pamphlets sent with your letter. It was most kind of you to give me such full information. Thanking you again, I am Very truly yours, Drotter D. Trotter Jones Department Adjutant DTJ-mec

Jan. 12, 1943

Mr. D. Trotter Jones, Adj. P. O. Box 1069 Montgomery, Alabama

Dear Mr. Jones:

Your letter of Dec. 19 addressed to Mr. G. C. Stimpson, Daphne, Ala., was mailed to me by Gordon Dec. 21, for reply. I'm sorry to be so late but press of other business made it necessary.

The Organic School was founded at Fairhope in 1907, by Mrs. Marietta L. Johnson, a public school teacher from Minnesota, and was incorporated under the laws of Alabama in 1909. The constitution adopted at the time of incorporation outlines the object in Article II as follows:

### OBJECT

The object of this corporation is to practice, develop, perfect and promulgate a system of education known as Organic Education, its methods and aims being in part outlined in Henderson's Education and the Larger Life, and being in the main in harmonywith Froebel's philosophy and laws controlling the development of the individual, and to grant diplomas and confer degrees under its corporate seal.

In her public school experience Mrs. Johnson was impressed by certain standard practices that appeared to her to violate essential physiological and psychological laws which govern the normal growth and development of the child.

Realizing that the best and most effective means of securing recognition of a principle is by furnishing a successful demonstration Mrs. Johnson determined to work out her theories in a private school where there would be freedom to introduce such practices as served to offer the greatest hope in the accomplishment of her aim. This aim she stated to be: to provide every child as nearly as heredity and environment would permit, with a sound and healthy body, an intelligent and understanding mind and a sweet and sympathetic spirit.

Mrs. Johnson believed that the rigidity of the standard school room with its physical repressions essential to fixed furnishings acted as a nervous irritant to the delicate nervous system of the child; and that the early teaching of reading and writing caused toogreat a strain on eyes and on mental faculties so she introduced supervised activities designed to facilitate the child's adjustment to his new social status and to introduce to him the subjects he would later employ reading by which to extend his information. These activities being in the nature of supervised games and play the effects of a break between home and school life were minimized and a new and essential step was effectively taken in the most natural manner.

Having observed that the standard system of examination and grading had, what appeared to her to be some very bad fee tures, tending in many cases to cause the children to substitute for the broad aim of securing an education the narrow aim of passing the examination and making the grade; tending to make teachers satisfied if the pupil passed even though he may not have secured an education in managing, sometimes by devious and often dishonest methods to get by the examination. Her children were encouraged to do the best they could and the teachers have the responsibility to see that this is done and are required to consider that the teacher or the school method may as often be deficient as the pupil.

main in the school to graduation graduate with the children they started with, progressing from year to year with the same age group which the school feels is important in the maintenance of social balance and the avoidance of self-consicusness. And it is possible that at the end a child who could not pass examinations may stand high in his class and in the steem of his classmates and teachers if he has learned to make the most of such ability as he has. Surely such an accomplishment is an obligation the shools must face, and one in which they too often fail. Such children when they fail to pass through no fault of theirs, and are required to stay back and see their more fortunate fellows advance, become embittered. Their social contacts in school are broken and they often leave school at the first opportunity and are not as capable of asumming as responsible a position in the social and economic world as they might have held, which is not alone their loss but perhaps more the loss of society.

Our school, like many noble experiments, has never been able to attain it its highest aims, but unlike others it has produced many entirely satisfying results and I am sure has produced none that are evil, proving the quality of the aim and the inadequacy of the means. In the earlier years Mrs. Johnson was quickly recognized in the growing national and international field of progressive education and she was able to maintain an almost continuous lecture tour which paid quite well, and she used the proceeds largely in the conduct of the school. These tours also enabled her to contact many parents of means who desired to send their children to the boarding department of the school and this income was considerable.

Mrs. Johnson is dead, and of course there is not another; many of the outside contacts have been lost and new financial support must be found. There is a nucleous of sincere

converts and associates who taught under the supervision of Mrs. Johnson who are attempting to devise means to maintain the school. Not having directorship material among them and being insufficient in number to man all departments they have succeeded in getting a director Dr. Wm. E. Zeuch and others to fill out the faculty organization.

I am enclosing to copies of the school publication
Integration which I hope you will find interesting. They will
explain somewhat the financial plan which is briefly to achieve
and maintain a five thousand dollar annual sustaining fund through
contribution by alumni, friends and commercial and professional
interests, and to develop the schools earnings by the charge of
moderate tuitions and service fees. It will no doubt be hard
struggle in many ways but the aim is believed to be worthy of
the hard work and sacrifice that alone can bring success.

More and more defects in our general education system are coming to be recognized and any and all demonstration experiments are valuable even if they only show what not to do.

I hope I have met and not exceeded your desire for information concerning our school, but if I am deficient in the former please ask for more. I am sure the school would be glad to put you on the mailing list if you desire.

Sincerely yours,

Copy to Gordon Stimpson

THE AMERICAN LEGION DEPARTMENT OF ALABAMA

HEADQUARTERS
108 N. McDonough Street
MONTGOMERY

OFFICE OF ADJUTANT
D. TROTTER JONES
P. O. Box 1069
Montgomery, Ala.



TELEPHONE 2-2042

December 19, 1942

Mr. G. G. Stimpson Daphne, Alabama

Dear Gordon:

Since you have not been Adjutant this year I have not had the pleasure of having many letters from you or writing you.

I have heard lots about your Organic School located at Fairhope, and I will appreciate it, if this school has any pamphlets, if you will mail a couple or more of these to me, and also, I would like to have the complete history of the school, if you can give me this. I would also like to know who is backing it and who pays for its upkeep.

If you can give me this information it will be greatly appreciated.

Very truly yours,

Zweller

D. Trotter Jones
Department Adjutant

DTJ-mec

Daphne, Dec 21,1942

Mr Carney Gaston Fairhope, Ala.

Please answer this direct to Trotter. Tell him I referred matter to you. You might get letter head from Nick. You are associated with us on Americanism Com. I know of no one better qualified than you to furnish headquarters with good information

incerely

Mch. 21, 1944

Mrs. Robt. A. Jones 1922 14th Ave. South Birmingham, Ala.

Dear Mrs. Jones:

I learned with regret of your loss in the death of Dr. Jones. Please accept my sincere sympathy.

At the present Fairhope is crowded with people employed at the shippards and other war industries in Mobile and it is quite difficult to find cottages or apartments for short time occupancy. Rents are in the main not what was formerly considered "reasonable" except as limited by Rent Control.

Our corporation does not own any improved properties.

Rental properties are either listed with the real estate agents or handled by owners. Owners of suitable apartments you might write are E. A. Cramer and the Colonial Inn. W. R. Whitacre in Mrs. Jemima Nichols have cabins that might be suitable. Real estate agents are C. L. Bloxham, G. E. Perkins, J. E. Gooden R. C. Keeney and Capt. Jos. Pose. Mr. Bloxham owns some rental property.

I am sorry not to be able to give you more encouragement but war time brings abnormal conditions here.

Sincerely yours,

Secretary.

Girmingham, ala 1922-14th are So March 11, 1944 Dear De Gaston, I am wishing to come down to Fairhope for about a mouth. I am Coming with my excellent maid, therefore, would like to get a small cottage, or Napartinent if you have anything that I can secure reasonably. I know you will remember me as I have been to Fairhope many times but you do not know that I have lost the Jones and am now a widow. I haven't forgetten just how lovely you were to me on one occasion when you were practing. modicing and I hope you will do your best to get me

a good location so I can come de l'esperance de Cordiste 1. Cordially yours months I am Mrs Robert a, Jones anything that I can secure recountly. I know you will security out on times but you do my have and are more a windows. I well do your test to get one

Mrs. Lydia C. N. Comings
President
Fairhope Library and Museum Association.

Dear Mrs. Comings: --

I enclose a cop y of the Trust deed of the Lucia Josephson Memorial Collection, making it the original by signing my name to it in autograph. It was copied from the carbon copy of the original.

I remember now that one of the three packages that Mr. Bloxham agreed to deliver to the library on his second visit to me at Old Shell Road contained a file of the periodical Mechanicacy, and some number of The Consumer's Defender and other similar publication.

Yours very truly

We brephore

### CONVEYANCE IN TRUST;

KNOW ALL MEN BY THESE PRESENTS, that I, Aksel G. S. Josephson. for and in consideration of certain valuable considerations. receipt of which is acknowledged, do hereby give, transfer and convey unto Edward P. Totten, Martha M. Albers and L. O. Bishop, residents of Fairhope, Baldwin County, Alabama, and their successors. my library of books in the English language, to the number of over three hundred, in trust for the use and benefit of the people of the town of Fairhope, to be maintained as a part of, and in connection with, the Fairhope Public Library and to be known and designated as the Lucia Josephson Collection, and I hereby instruct and require of above named trustees that all of said books be made available for use as a part of the Fairhope Public Library and that they be cataloged and classified under proper headings and placed in appropriate positions on the shelves of said library. There is included also, in this Conveyance of Trust, all books given by me to the Fairhope Public Library since May 10th, 1929. Any additions of books, from whatever source, to the said Lucia Josephson Collection shall be held by the trustees herein named under the terms of this trust converance and no book once given to the Collection shall ever be withdrawn from it.

In the event of there being, at any time, a breaking up or dispersal of the Fairhope Public Library, all of the books then in the Lucia Josephson Collection shall be disposed of as the trustees of the same shall, in their discretion, determine, having in mind the puspose of the Collection. The Trustees shall be, at all times, residents of the town of Fairhope and in the event of the death of

removal from Fairhope of one or more of them, vacancies shall be filled by appointment by me or my residuary legatees in consultation with the trustees.

IN TESTIMONY WHEREOF I have hereunto set my hand on this day of April, 1932.

|                        | <b>X</b> .         |
|------------------------|--------------------|
|                        | Oksel Is Josephore |
| SIGNED IN PRESENCE OF: |                    |
|                        |                    |
|                        |                    |
|                        |                    |
|                        |                    |

### FROM COUNCIL RECORD

April 4, 1932-A communication from Aksel G. S. Josephson was read, proposing to give the larger part of his personal library to the Fairhope Public Library on condition the library be conveyed to the Town of Fairhope.

It was moved and carried that Council appreciates and thanks
Mr. Josephson for his generous offer but does not deem it advisable

to take the action suggested at the present time.

April 18, 1932--Communication from Aksel G. S. Josephson read stating that he had executed a deed of trust, creating the Lucia Josephson Collection in the Fairhope Public Library, leaving untouched the question of transferring the Library to the Town of Fairhope, but adding:

"I hope I may have given new impetus to the idea of such transfer and that it might be accomplished on conditions that secure not only the permanency of the Library, but its adequate support by the Town authorities and the continuance of the liberal administration that has been a unique characteristic of the Library under the ownershop of the Single Tax Corporation"

AMY R. JUENGLING - BLEY ROAD - EDEN VALLEY, NEW YORK

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Greenely IMPROVEMENTS PAY LABOR, MATERIALS and UPKEEP Amy R. Granfi

Let us have full recognition and participation of women with men in our government and cooperate to solve the problems of the home, of children of food and the affairs of government Cooperation Free Trade Equal Rights Industrial Democracy Natural Wholesome Food Healthy Happy Children Law—not War Abolish Capital Punishment Work and Play for ALL

AMY R. JUENGLING - BLEY ROAD - EDEN VALLEY, NEW YORK

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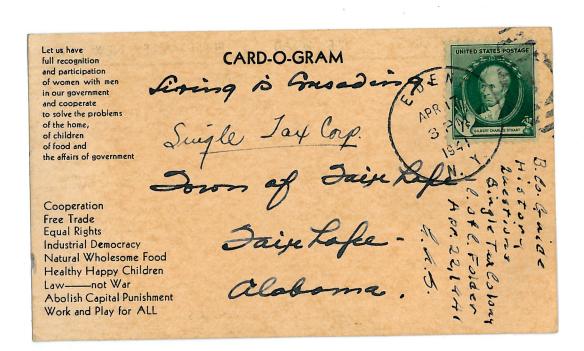
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### TENNESSEE VALLEY AUTHORITY

Knoxville, Tennessee

BOARD OF DIRECTORS
ARTHUR E. MORGAN, CHAIRMAN
HARCOURT A. MORGAN
DAVID E. LILIENTHAL

March 9, 1937

Fairhope Courier Print Shop Fairhope Alabama

Gentlemen:

I have seen several pamphlets concerning the work of the Fairhope Single Tax Colony. I should appreciate having sent to me any material which you have available for general distribution, together with an invoice, if there is any charge.

Sincerely yours,

Walter Kahoe

Assistant to the Chairman

Magah 16, 1937

Mr. Walter Kahoe Assistant to the Chairman Tennessee Valley Authority Knoxville, Tenn.

Dear Sir:

I was very glad to learn of your interest in the Fairhope Single Tax Corporation and quite pleased to send you such material as we have.

ment and the agencies operating under it to use a leasing form similar to that employed by our corporation. Such a plan would give the government, as it gives our corporation, a continuous control of the land while at the same time, assuring the lessee of tenure and of full control of his personal property, improvements. We believe this plan to be more satisfactory to the lessee than proposals I have seen advanced which would provide extended supervision of the land by the government through a long term purchase contract thing up the purchasers improvements, as well as his land.

Our aim is to prevent speculation in land through providing that it shall not pass into private ownership, title always remaining in the Corporation. We also aim at providing our lessees relief from the numerous property taxes which exist and have a restraining influence on progress and industry. A study of our application for lease, lease contract and constitution will well acquaint you with our methods to attain these ends.

I again assure you of my appreciation of your interest and I hope I can impress you with the importance of Fairhope as an experiment worthy of consideration in providing for social conditions and economic security in the Tennessee Valley. We would be pleased to have you or your representative visit Fairhope.

Very truly yours,



# Hotel MARTINIQUE

BROADWAY AT 32nd. STREET . NEW YORK I, N.Y.

December 10, 1946.

Dear Mr. Gaston:

The enclosed is sent

you at the suggestion of m. Donald Ferkheiser, Chlando,

Florida.

find it proprable reading.

Chnold N. Samiat

DIRECT UNDERGROUND PASSAGE TO PENNSYLVANIA STATION AND ALL SUBWAY LINES

One Block to Fifth Avenue and Empire State Building

Fith the compliments of Chnold S. Samiat

### This World of Immature Folk

By ARNOLD H. KAMIAT



Reprinted from Dynamic America, April, 1939

"The Nation's Economic Forum"

## DYNAMIC AMERICA

APRIL, 1939



### This World of Immature Folk

Have We Been Having Romantic Interpretations of History?

By ARNOLD H. KAMIAT

N any discussion of the problems of society, I someone is almost certain to refer to something he calls human nature. Human nature-who does not feel himself in contact with it every moment of the day and therefore quite competent to discourse upon it? Human nature—in every country and in every time poets, philosophers and storytellers, and in our age philosophers, biologists, psychologists, sociologists, endocrinologists, novelists, poets, dramatists and social reformers have analyzed, depicted, described and interpreted it until it would seem that no subject in the world could be better and more exhaustively known. And yet, strange to say, as one scans the literature and hears the discussions on the subject one notes a remarkable oversight. It does not seem to have occurred to anyone anywhere - a contemporary writer, Theodore Schroeder, excepted—to inquire whether the human nature was a mature, full-blown, complete sort of thing. What is this human nature as it has exhibited itself in the past and as it manifests itself today? Is it the nature of psychologically mature human beings? Or is it that of human beings who have intellectually, emotionally and volitionally never matured? I think it is as a rule the latter.

I think myself justified in the statement that the physical adults of every political unit, past and present, have been in the main psychologically immature. By this is meant that they failed to attain intellectual, emotional and volitional maturity. This is a proposition the truth of which can be shown to possess a rather high degree of probability.

To begin with, it will surely not be maintained that human beings have as a general thing exhibited a high degree of rationality, or that sympathy and love have been regnant among them, or that strength of will has been a common phenomenon. But perhaps men and women have developed right up to their hereditarily determined limits? Perhaps, if they have not grown beyond the points attained, it is because their hereditary equipments vetoed further expansion? But this is to argue, either that education and social institutions have played no role whatever as determiners of growth or that they have been so perfectly adjusted to all human needs as to make it highly improper to charge them with the arrest of the growth of human personalities. But consider the following.

Human societies can subsist on either of two levels. On one level the individual strives to grow at the expense of other human beings. On the other level, behavior is governed by the principle that the growth of the personality requires, and in its turn fosters, the growth of other personalities.

Societies on the first level are competitive, exploitative and autocratic in spirit and structure. A society on the second level would be cooperative and democratic in spirit and structure.

As far as I know, every nation that history has any record of, subsisted on the first level. But in a competitive, exploitative and autocratic society it is impossible for most physical adults to arrive at intellectual, emotional and volitional maturity. At any rate, no one has ever shown it to be possible.

The closest approximation to a cooperative and democratic society is attained in the world of culture. Culture is here defined as the creation and appreciation of religious, artistic, scientific, philo-

EDITOR'S NOTE: The author of this article is well known as a keen student of the history of philosophical thought; his observations here are elaborated in greater detail in his new book, "Social Institutions as Personality-Stunting Factors."

Social Forces in Personality Stimling

sophical and ethical values. The ethical is here defined as comprehending all behavior conducive to the fullest maturation of self and other selves. In the realm of culture—religion (as distinguished from ecclesiasticism), art, science, philosophy and ethical conduct—one finds human beings combining to release and augment human energy. Such is the character of culture that the growth and exercise of power at any point require and impel the release, enjoyment and augmentation of power at other points. The human personality grows if and when others do.

### The Effects of Dictatorship

If cultural activities predominate on the democratic level, the prepotent activities on the exploitative level are economic, political and military in character. On the latter level, the power that is sought is not the power to create and appreciate growth-fostering values. What is sought instead is the power to determine the destiny of human beings, such power being valued as an end in itself. This power, when attained, is, however, hurtful even to him who enjoys it. The competitive, exploitative and autocratic process arrests the growth of those upon whom power is exercised. But in thwarting the maturation of his subjects, the power-wielding individual deprives himself of an essential condition of his own psychological maturation, namely, the presence of maturing personalities. Nor is this all.

Psychologically immature human beings-and this means people living on the exploitative level, which in turn means most physical adults in all past and present political units-tend to acquire paranoid personalities. That is to say, they tend to exhibit traits of character that simulate those of paranoia. Paranoia and the craving for power over others go together. The paranoiac, a creature of fear, cannot endure the presence anywhere in the world of anything that does not conform to his standards. The existence of any such thing is by him envisaged as a limitation of his power. He therefore wages ceaseless warfare against all things and all persons who represent a scale of values that differs from his. He carries a cargo of grandiose delusions, including a delusion of infallibility, one of moral superiority, and one of superior governing capacity.

Paranoia is the price men and women pay for life in an exploitative, competitive and autocratic society. Happily, only a minority is ever paranoiac, but very many people are paranoid. The paranoid person is usually a member of some militant group

—what social psychologists call a crowd. This may be a movement, a nation, a race, a party, a class, a sex, a denomination. A crowd-person finds it very difficult, if not impossible, rationally to deal with the issues around which his or her crowd is organized. He may be ever so rational in regard to all other issues; but here his rationality finds its limit. Here he evinces his paranoid quality. As a crowd-member he craves the feeling of power; the power of the crowd is his power; his crowd, he is certain, is morally and intellectually superior and possessed of a genius for government. Other crowds are inferior, immoral, given to error, bringers of chaos. They must in some way be conquered. This phenomenon may be termed collective paranoia.

A special manifestation of paranoidism is the intolerance of dissent. If a dissentient idea invites suppression, it is because its propagation is envisaged as a limitation of one's power. And since his delusion of infallibility is really a screen for his suppressed doubts, the intolerant person can be said to be fearful of ideas that differ from his. Intolerance is therefore not, as is commonly supposed, a sign of faith, but of lack of faith.

The practically universal distribution of intolerance is itself proof of the psychological immaturity of almost all physical adults. Intolerance, censorship and suppression represent an immature and unrealistic reaction to dissentient opinion. To evade the rational inspection of an idea, to beg the question by assuming its falsity at the outset, to proceed upon the assumption that one's own ideology is entirely true, and all others completely false, is to evince an extreme intellectual narcism, itself a sign of immaturity.

#### The Aristocratic Society?

The argument in favor of an exploitative, competitive and autocratic society is well known. It is a plea for aristocracy and superiority. It asserts that the tragedy and the pain and the cruelty that dwell in such a society are the necessary, if deplorable, concomitants of the cultivation of human nobility. The masses exist merely in order that the more capable might continue to be.

This is indeed a ghastly falsehood, for it can be shown, not that all are equal in ability and capacity, not that there is no aristocracy, but that the latter is not to be located where it has been supposed to be. It can be shown that economic, political, military and ecclesiastical ruling groups have been neither intellectually, morally nor volitionally superior to those they ruled. That is to say, with respect to these things, ruling groups have not pro-

Social States in

truded above the masses, but have been coextensive with them. What has passed for aristocracy and nobility has, with rare exceptions, constituted pseudo-aristocracy and pseudo-nobility.

Ruling groups have not been intellectually superior. Their thought has been as incoherent and fallacious as that of the masses, it has been just as uncritical in its attitude toward the heritage from the past, it has been just as truly given to rationalization, and it has exhibited all those traits which have just been described as characteristic of crowdthinking. Ruling groups have, on the whole, had as little training in logic and scientific thought as the masses.

Ruling groups have not been morally superior to the ruled. By this is meant that, judged by the moral code of a given time and place, the ruling group of that time and place will be found to live on the same level as the masses. This has been established by numerous realistic histories, by the records of courts of justice and government investigation commissions, by intimate histories and biographies dealing with royal and so-called aristocratic families and personages, by social analyses written by critics, radical and otherwise, and by candid passages in innumerable histories.

Further proof that ruling groups are not morally superior is furnished by the corruptions, cruelties and brutalities that have always characterized their dominance, and by the fact that they have rarely, if ever, entertained any scruples with regard to the means to be employed in the repulsion of attacks on their power. Indeed, it is in their reaction to attempts to limit or deprive them of power that their paranoid psychology has revealed itself most prominently, and in all its fury, cruelty and bestiality.

A popular notion to the contrary notwithstanding, the people who compose ruling groups are not volitionally superior to those who make up the masses; they are, as a general thing, just about as weak-willed. The popular fallacy has its root in a failure to make a very important distinction. It is necessary to distinguish between two kinds of persistence: the persistence of the person of strong will, and that of the person who continues in a certain course because he is the victim of an inner compulsion over which he is too weak to exercise a control. The behavior of ruling groups is explicable on the assumption of their inability to impose a great degree of control over their competitive, exploitative and autocratic impulses. They do not govern those impulses; they are governed by them. It is not merely that they will to compete, to

exploit, to dictate; they lack the will to refrain from these things. They lack the strength of will to socialize their impulses, to lift themselves from the competitive, exploitative and autocratic level to the cooperative and democratic—from the level on which human growth suffers arrest to one where liberated growth goes on to maturity.

Finally, it is a sign that the economic, political, military and ecclesiastical rulers have not been, in the main, intellectually, morally and volitionally superior that they have in all times and places throughout recorded history perpetuated ways of life and social systems that thwarted the growth of human personalities, their own included, and that they have indeed resisted with paranoid rage and violence, even the thought of experimentation with social procedures that promised to be conducive to personality maturation.

Ruling groups have, in the main, revealed superior administrative ability, they have been better informed concerning certain matters, and they have exhibited greater cunning and shrewdness. None of this, however, is necessarily indicative of superior heredity. If ruling groups possess superior executive ability, it should be borne in mind that they also have the best opportunities for its development.

There is of course a genuine aristocracy, a true nobility. Into a true aristocracy only they can be admitted who reveal a superior ability in the creation or appreciation of those values that are more precious than all others: the religious, the ethical (as it has been here defined) the artistic, the scientific, the philosophical. Only the republic of culture can boast of a genuine aristocracy. The underworld—the world of business, politics, ecclesiasticism and military affairs has always constituted an underworld—has supported fraudulent aristocracies. It will be objected that within the ranks of ruling groups there have appeared many great men and women. The objection will be dealt with in a ittle while. In the meantime, note what has happened to the argument that competition, exploitation and autocracy are essential to the cultivation of aristocracy.

#### Psychological Interpretation of History

What has been said up to this point prepares us for a new approach to the interpretation of social phenomena and of history.

With the psychological maturity of men and women of past societies taken for granted, almost everyone has hitherto interpreted history as the story of the endeavors of realistic and practical people to live the good life as well as they knew

how. This idyllic notion must be thrown into the discard. History is a sad procession of men and women very, very few of whom attained full stature, men and women most of whom never, except for brief moments, really lived, never knew what it is to create, men and women who hugged the illusion that no one could live a full human life except he deny such a life to everyone else, men and women with intellects, wills and emotions too immature to permit them to acquire more than a thin realism and an attenuated practicality. In substantiation of this latter point, no more is needed than to note what social relationships have been like throughout recorded history.

It will be necessary to discard the romantic interpretation of historic events in terms of a dominant rationality and a prepotent altruism. Historians still endow nations, movements and leaders with a lofty selflessness, even in the case of conduct destructive of the most precious values. When confronted by such a phenomenon, historians exonerate the nations, movements and leaders in question with the statement that they acted with the best of intentions and with the best knowledge at their disposal. This is rationalistic nonsense. These historians fail to note that these groups and leaders close their minds to the best knowledge available, as well as to all criticism of the assumptions upon which they act, and this even when these assumptions issue in deeds hurtful to all those values that make for the growth of human personalities.

When I assert that the conduct of leaders and peoples, in the past and in the present, has been paranoid in character, I do not equate paranoidism with absolute selfishness. It is not maintained that history is interpretable in terms of the latter. Human beings are neither absolutely selfish nor absolutely unselfish. But every personality is a scene of conflict between altruistic and egotistic impulses. These usually strike a compromise, and sometimes the compromise is of a kind in which altruistic impulses find expression through channels considerably gratifying to impulses of the egotistic variety. On the immature, paranoid level this sort of compromise is constantly taking place.

The history of social institutions is to be interpreted in terms appropriate to the exploitative, competitive and autocratic societies in which they functioned. Economic institutions have been largely devices, not for the provision of society with the material conditions of life, but rather for the concentration of power and material wealth in the hands of the economic rulers. Economic institutions have not existed for society primarily; society

has served as so much exploitable material out of which wealth could be wrested and upon which power could be exercised. Governments have been largely instrumentalities for the realization of the power ambitions of political leaders, for the gratification of their craving for material wealth, and for the perpetuation of economic exploitation. Military institutions have been primarily means for the expression of tribal and national egotisms, for the satisfaction of the military leaders' quest of glory and power, and for the realization of the imperialist ambitions of economic and political rulers. Ecclesiastic institutions have existed to offer solace to a world steeped in every kind of misery, to gratify the longing of churchmen for their share of power and material wealth, and to propagate the notion of the divine ordination of exploitative, competitive and autocratic ways of life.

A way of thinking that will have to undergo some qualification is that sociological relativism according to which ways of life and social institutions are suited to the needs of the time and place—a delightfully idyllic conception. The trouble with the sociological relativist is this, that when he speaks of ways of life as suited to the needs of a time and place, he is not careful to inquire as to exactly whose needs it is sought to satisfy. He probably takes it for granted that the answer is, everybody's needs. Since, however, at any given time and place the bulk of the physically adult population, ruling groups included, has been composed of psychologically immature individuals, it would seem that human needs have been pretty well disregarded. And so they have. Social systems have not been designed expressly for the task of helping men and women attain intellectual, emotional and volitional maturity.

Here, then, is a criterion by means of which it now becomes possible to appraise the institutions of any time and place. Always the question to be asked is, do they or do they not facilitate the maturation of human personalities?

Here, also, is a criterion of personal greatness. No one can be termed great who is not to a substantial degree psychologically mature. No one can be considered great whose manner of living does not facilitate the acquisition of maturity by other personalities. No one deserves to be placed in the company of the great whose growth requires the denial of growth to an entire community or group or class or nation, or humanity itself. Judged by this standard, quite a number of historical personages, hitherto esteemed great, will have to be demoted to the ranks of the little. The truly great

person is one who makes a mighty contribution to the store of cultural values. He or she is great who adds mightily to art, science, philosophy, religion, or ethical living—ethical in the sense herein defined. However, an exploiter or an autocrat who should compensate society by adding greatly to any of these would be entitled to rank among the great.

### A Program of Democratic Socialization

What may be done by way of establishing growthfacilitating behavior-patterns and social institutions? The following program, admittedly incomplete, is suggestive.

- 1. The first proposal, vague though it must be, is that of the democratization of every kind of human association. This means the elimination, as far as is possible, of every species of exploitation and autocracy. Exactly what form democracy is to take in any given place and time must be determined by the persons concerned and with due consideration for local exigencies and circumstances.
- 2. The transformation of government into a collaboration between trained statesmen and administrators on the one hand, and scientists and technologists on the other, with special emphasis on the application to social problems of the findings of biology, endocrinology, psychology and the social sciences.
- 3. The socialization of the instruments of production and distribution. This seems to be essential if material wealth is ever to function as a con-

dition of human growth, rather than as a reward for exploitation or a symbol of power.

- 4. The transfiguration of human activity so as to reduce economic and political activities to an ancillary status and lift cultural activities as herein defined to a primary level. It is proposed that cultural affairs be placed first in importance and in time and energy expenditure.
- 5. The establishment of freedom of thought. There can be no maturation of the personality where human beings cannot enter into free communication with each other.
- 6. The limitation of births to provide those that are born with ample opportunities for growth.
- 7. Compulsory education for all up to the termination of the college course. This means the abolition, not only of child labor, but of adolescent labor as well. All children and all adolescents should be provided with all the instrumentalities of growth and maturation, and they ought to be compelled to employ them. This may have a tyrannical sound, but no one now considers the compulsory education of children a manifestation of tyranny. Real tyranny is hostile to education.

Let us end on a note of optimism. From the failure of the psychologically immature people of the past and present to solve certain problems and to assuage or eliminate certain evils no inference can be made to the inability of psychologically maturer persons to accomplish these things.

HODO-WEAVER MORTGAGE COMPANY, INC. 216 Graystone Bldg. Mobile 10, Aka.

November 30, 1949

Mrs. H. P. Kamper Fairhope, Alabama

Dear Mrs. Kamper:

I have just received a letter from Federal National Mortgage Association from which I quote:

"This Association will interpose no objection to the fact that the home is on leased property, provided the mortgagor has a 99-year lease, that the mortgage is guaranteed by the Veterans Administration, and provided further that it meets all other requirements of this association for the purchase of such mortgages."

I am not familiar with the terms of the Fairhope Single Tax Colony's lease but this means that if a prospective purchaser should have a 99-year lease we can make an unlimited number of GI loans, up to \$10,000.00, on leased land in Fairhope.

Very truly yours,
HODO=WEAVER MORTGAGE COMPANY, INC.

Don Houser, Vice-President

Jor. 8, 48 Fairhope Single Tax Corp. Genlemen Would you kindly send literature on Harrhope Single Tax colony to me and the enclosed names. We are newspaper people and have heard favorable reporto about Fairhope from Worthington De Wolf. I have had the pleasure of risiting Fairhope on several occasiono as a friend of Mro. makel Sandto, but these gentlemen would also like to know about Fairhope as a prospective home when they retire. Thanking you, 2 am sincerely yours, Iva-may tring 6134 & Greenwood as Chicago 37, Del. Mr. Charles R. Kane 3743 n. Broadway Mr. Paul E. Heir 245 M. north ar, Shieago 10, Ill.

Dec. 6, 1950

Mr. K. Kauffmann-Grinstead 535 Fifth Avenue, Juik 815 New York, N. Y.

Dear Sir:

There is no joining requirement to establish one-self in Fairhope. Our corporation does conduct a Single Tax Colonyhere but the benefits it provides are available to non-members on equal terms with members. All who lease land from the corporation are equally entitled to such benefits as it has to offer.

Our corporation owns only about one-fifth of the land in the Municipality of Fairhope. The Colony land is open for lease on 99 year lease contracts as shown on the enclosed copy. Other lands may be bought and title held in fee simple. Of course the owners of non-Colony land are not entitled to the benefits the Colony offers. These benefits are that one may secure land from the Colony without the payment of any purchase price and is releived from the actual payment of any taxes on the improvements and personal property he creates and holds on such land.

There are no socialistic or cooperative enterprises in Fairhope. All gainful activities, commercial, industrial and agricultural are the result of individual initiative and private enterprise. The primary purpose of our corporation is to discourage the speculative holding of its land by requiring all lessees to pay to the corporation the full annual rental value on the land leased to them. The fund so acquired is used to pay the corporation's operation expenses, the taxes on its lands and the unjust taxes that are levied on the improvements and personal property owned by its lessees.

All of the corporation collected land rentals remaining after payments as above listed is treated by the corporation as a trust fund and is expended in the common interests of all who occupy the corporation lands. The greater amount is expended for the improvement of roads and sidewalks. In addition we operate a public library and a cemetery which provides free burial space to those who occupy our lands as residents.

For further particulars concerning Heny George's economic proposals you are referred to The Henry George School of Social Science, 50 East 69th St., New York City.

## K. KAUFFMANN-GRINSTEAD 535 342 FIFTH AVENUE

NEW YORK, N. Y.

12/3/50.

TELEPHONE MURRAY HILL 7-4535

To the Gleerinistration, Jerhape, Gla.

Sentlemen:

a description of Kiribly Send bree Egges reus en to Josep Commercity for fairing it.

Snicerely, K. Kantfugur June Lead, Ph.J. Sicgman Kaufmann Chicago Wor. 28th

Jo Wallman

Sugar de Ar. Singo Taxe to Taithope

Car elle Gaston

Referring to the H. Schmidt will you plean

giromentornation about your colony and run

me a sample copy of your hers paper

liegman thursan



Feb. 23, 1950

R. C. Keeney, Realtor Fairhope, Ala.

Dear Mr. Keeney:

It has come to our attention that some lessees of unimproved lots have offered to transfer their leases in consideration of a bonus payment. As you know, the lessee, in making application for his lease, agrees that he will neither ask nor accept a bonus for the transfer of an unimproved leasehold and that his proved attempt to do so will be cause for the forfeiture of his lease to such unimproved leasehold.

At its meeting February 16, the Council directed me to write to all lessees whose leases to unimproved lots had been in effect for more than two years and remind them of their agreement. This has been done and every such lessee has been furnished marked copies of the application, lease and constitution such as am enclosing

herewith.

The Council believes it is necessary to discourage every hope of profit through the transfer of unimproved leaseholds. It believes that Fairhope's phenominal success, as compared with other shore communities, is due to the easier access to land here, made

possible by the Single Tax Colony plan.

Fairhope is still growing and the demand for land increasing. If holders of unimproved lots are allowed to collect a bonus for the transfer of their leases, or even to require payment to them of the rent they paid while holding the land out of use, an unnatural limitation will be placed on Fairhope's opportunity for future growth and all business will suffer.

While all business will suffer because of the interference with a normal growth in population it will effect the real estate and insurance business most directly. It will mean fewer houses to rent and to sell. It will mean the sale of less fire and property insurance. Vacant lots purchase no fire and property insurance.

We hope you will be convinced of the soundness of the foregoing conclusions and that we will have your cooperation in enforcing

the terms of our lease agreements.

Very truly yours,

NOTE

Mr. Jones called on Monday, May 27, but too late, timber having been sold to Mr. E. W. Franklin that morning for \$75.00.

C. A. G.

May 14, 1940.

J. F. Kelly Co., Inc., Telegraph Road, Mobile, Ala.,

Attn: Mr. J. B. Jones

Dear Sirs:

This is to advise you that the Fairhope Single Tax Corporation has for sale the timber on 20 acres of its lands described as the maximum south half  $(S_2^1)$  of the northeast quarter  $(NE_2^1)$  of the Northeast Quarter  $(NE_2^1)$  of Section Twenty-two (22), T. 6 S, R 2 E. Baldwin County.

We have leased this land for agricultural use and all the timber thereon may be removed, it not being necessary to leave any seed stock. This tract is just south of a similar tract on which your Mr.

Jones made a bid a few weeks past. Mr. J. E. Gooden holds a turpentine lease on the tract requiring 30 days notice for cancellation; notice has been given and I have asked Mr. Gooden to notify me if he can remove his cups in a lesser time.

We will be glad to show you this timber and to recive your offer for the purchase of the same.

Very truly yours,

June 5, 1940

Mr. J. B. Jones.

% J. F. Kelley Co., Inc.,
Telegraph Road,
Mobile, Ala.,

Dear Mr. Jones:

Mr. Franklin who purchased the timber on the two twenties in which you were interested was in my office this morning and tells me that he will complete the cutting of the saw timber this week. He informs me that he has not yet disposed of the paper wood and that he will be glad to consider an offer from you.

I presume that this will have to be attended to at your earliest convenience since he has contracted to complete cutting by the first of July.

Very truly yours,

March 21, 1940.

Mr. J. B. Jones, % J. F. Kelley Co., Inc., Telegraph Road, Mobile, Na.,

Dear Sir:

This is to advise you that I have an offer for the twenty you figured on and the one acre I told you of, of \$100.00.

This is a raise on the price you offered and also enables us to realize more for the timber on the lacre.

If you are interested in making an offer on either or both I shall be glad to hear from you. You understand that we will have to consider our best advantage in this matter and if splitting the properties jeopardizes our prospect of disposing of the I acre we would prefer to consider the best total bid.

I am enclosing a map on which I have noted the location of the properties.

Very truly yours,

June 24, 1940.

Mr. J. B. Jones, % J. F. Kelley Co., Telegraph Road, Mobile, Ala.,

Dear Mr. Jones:

We have for immediate sale the timber on the No of the SE of the NE of Sec. 22, Twp. 6 S, Range 2 E, twenty acres lying immediately south of lands which you previously considered and on which the timber was sold to Mr. Franklin.

We also have for sale timber on ten acres in the SW2 of the SE2 of Section 27, T 6 S R 2 E.

If you are interested in these I will appreciate your advising me at your earliest convenience.

Very truly yours,

Oct. 3, 1938.

Wr. John Kelso, 921 East 4th St., North Platte, Neb.

Dear Sir :-

In reply to you enquiry of recent date concerning Fairhope, I am sending you under separte cover some printed literature concerning the Fairhope Single Tax Corporation and the Town of Fairhope. I am enclosing a small folder, "The Single Tax Colony at Fairhope", which I suggest you read first.

The Single Tax, as you will note, is not a form of government but an equitable basis for the securing of revenue for governmental purposes. We believe that it is the failures of our democracies to institute fair and equitable revenue laws that constitutes their greatest danger. The failure of government to take for public use the increment in land value resulting altogether from social and economic trends and activities, including public expenditures for necessary and desirable improvements, makes of land ownership a lucrative special privilege and forces government to levy heavy taxes on the products of labor.

Democracies are failing be cause the natural resources which should be available to all on equal terms have gone into private ownership, the owners collecting from users the increment "unearned" by them, rent and the government levying on the users taxes on their produce, fully earned by them to pay its costs.

It will be seen that the "equal terms" referred to above would be the payment of rent to the government for the services available to the occupant of the site. This rent should be sufficient to pay all the normal costs of government and leave every labor product untaxed.

In Fairhope we are demonstrating the efficacy of this plan. You will note in the Constitution that membership is not necessary to lesseeship and many of our lessees are not members. I will be glad to answer any further enquiries you may care to make.

Very truly yours,

921 East 4th Street North Platte, Nebraska September 27, 1938

Fairhope, Alabama Corporation Fairhope, Alabama Dear Sirs:

Will you please send me full particulars about your organization, as to your beliefs in the type of government, how your organization is run, and some of the qualifications for membership. Thanking you in advance, I am

Respectfully yours,

John Kelso

Sept. 20, 1939.

Mr. John Y. Kennedy, Cedar Rapids, Iowa,

Dear Sir:-

Your latter addressed to the Fairhope Courier was handed to me for reply. Under separate cover I am sending some printed material which I hope will give you a picture of the physical characteristics of Pairhope as it is juday.

ger than any other town in the county 1,345 and I feel sure the population now is at least 50% greater and that Faithope has grown faster in the last ten years than has any other of the towns.

I am sure that there can be no question that the prime reason for this is the taxation and land policies instituted have by Fairhope's founders, which policies are still being actively pursued. I make this statement because for the past ten years and more Fairhope has been off the main line of travel, since the bridging of the rivers at the head of Mobile Bay sliming ted the water transportation for which Fairhope furnished the principal port on this side of the bay. Then there was a tendency to attribute Fairhope's growth to its port facilities but now that this has gone and Fairhope's growth continues I believe we must attribute it to its land policys.

The Colony's rent charges for 1939 will total ofer \$28,500.00 \* Out of this the Corporation will pay the
state, county and municipality some \$20,000.00 in taxes on
the land and on the improvements and personal property of
the lessees. They will also pay federal and state corporation taxes and some income taxes. After paying the costs
of conducting the Corporation's business there will probably remain some \$5,000.00 out of which to pay additional taxes of lessees, such as poll and auto taxes, to operate the
Corporation's library and to pay for street and sidewalk
improvements.

If there is any further information I can give you I shall be glad to have you write to this office. We would be pleased to have you pay us a visit this winter.

Yours very truly,

2018 4# ave: 8 E Fairhope, Ala Gentlemen: I wish to learn Something about Fairhope as it now is. I you are in a position to Send any printed matter there may be available Concerning The Colony will you Kindly do to? Lyon are not prepared to furnish information will you Tindly hefer this this request to someone who will? to Over postage Assuring you that are early reply will be appreciated Monned

JOHN Y. KENNEDY

Fairhope Dingle Tay Colony. Tu & Ce Gasten, Sectary Dear me Gastien I thank you very kindly for your kindness and trouble for the little brooklets on Fairhope, I love To read them and I also wish I were There, I also wish to ask for the booklels again To have my relative in the Swith to Thank thing if hossible, name, hus W L. Burfard, 2542 Ramodell Aue Louisvelle. Hy, I also recined The last one and the first haper Enclosed find a fue Stamps if made needed let me know I Thank you.

Mrs Berf Kinicek Louis. Mass.

Boy 44 Farm St

April 5, 1943

Mrs. Benjamin Kenrick, Box 44 Farm Street, Dover, Mass.,

Dear Mrs. Kenrick:

In response to your letter of March 31 I am sending you such material as we have concerning Fairhope and this section, though it is not altogether reflective of present conditions. The shortest subscription period of the local paper, the Courier, is three months and the charge 50%. I have entered your name and you may send the 50¢ to Mrs. F. G. Crawford, Editor.

My former remark about the literature not being altogether reflective of Fairhope as it is now is due to the fact that our community is uncomfortably crowded due to war conditions. Mobile ship yards and other war industries are employing more than can be housed there and this and the fact that many learning of the attractiveness of Fairhope prefer to live here is pressing heavily on our housing facilities, which, due to the government restrictions on new building, can be expanded but little.

Dr. Atkinson, my aunt, has passed on, as have the most of the older ones of early days, including both my father and mother. We who knew and loved them and are able to appreciate our debt to them miss them greatly but children are growing up and new people coming in and the general character of Fairhope citizens continues constructive and interesting.

Of course we do have a long summer here and electrical storms are not infrequent, but seldom are they damaging. Young people generally quickly adapt themselves to the long summers and most of us who have had long residence here prefer the summers to the win-ters, but this is not generally the case with older people who have been accustomed to a short season. Please write me if I can be of further service.

Very truly yours,

Mr C, a, Gaston,

March, 31, 1943.

Las Su It is quite some time Since I wrote you for some reading matter on Dear, Fautope I have always liked it so well Since we were there for the winter and what few pursueno I met I liked and I loved the lille Baptist Church, Jon wrote me of mis Whittier and husbands death the way we all go, and of me all live us the best of our ablality and truthful all unil lee will, I am willing for more reading matter from you me Gaston fue I am new servers about going to Fairhope I also mean to try and have some one here interested to go also Faithope is Such a fully name and a healthy place to live, in my estant hon, I met & alkinson of whom

lovely little leashet of which is always on my table I fear she has passed on as she at that time we as quite up in years, I we as at her home I ar 3 times.

When we came home I levenght with me a buck and not a book but put together like one and told a let alecet the place and doings, but I let a pusion have it to read and Continued im not tolkerse it and he did to I was so sony about it, Will you kindly let me know about The summer weather and if The electric Starms are deery lead, once in a while we have a bad one especially if may hol, we have had a my my cold winter and having oil so scarce and for heating and cooking, but I was not to leadly off, but I short off some rooms and had to fill the cracks about

The doors as we have Evile a lot of wind from mouth and west me had a smove starm gestreday and the ground is conceed get, melted some but is cold, I do not like the cold weather any more, In 38 we had a had storm it blew my chimney down I wondered it didn't blow the mindomo I mas frightened it did great deal of damage ine lost & trus large ones, all along The streets they were down they had to get-lendy and clear the Sheels, In Gasten of you wice send me mue reading matter I would like it very much and if you will send me the Fairchope de eal pape, fee month I would loke like it and you kindly sine The bull to me of whalever costs and I will send it to you in standar ar a money ander by mail, I want to learn about the Single tuy affair. I hope I am not asking two much of year, and I do want to see Fautrope a game

Mi Gastren I thank you for the bast reading matte, and thank you.

Mis Benjamin Kernick

Mrs Bufamm Kimieke Boy 4 H, Farm Stud Dover. Mass. Dec. 4, 1937.

Mrs. Benjamin Kenrick, Dover, Mass.

Dear Mrs. Kenrick:

Fairhope has enjoyed a considerable growth in the past twentyfive years and I am sure you would be pleasantly surprised to visit here again. Mr. Foster moved away many years ago and I do not know if he is still living or not. Mr. and Mrs. Whittier have both passed on within the past two years as have many other of the earlier settlers but Fairhope still boasts of a large number of congenial and sympathetic citizens and I do not believe the general charater of Fairhopers has suffered with the passing years.

Our town has enjoyed many desirable physical improvements. We now have  $5\frac{1}{2}$  miles of improved hard surfaced roads in the town and are directly connected with the improved highways of the state. Fairhope is no longer dependent on water transportation but has regular bus service to Mobile by way of Cochrane bridge across the head of Mobile Bay. The Town has installed a new and uptodate, sanitary sewer system, it has completely rebuilt and modernized its water system and has extended and improved its electric plant and affords its citizens the lowest electric rates enjoyed by any town in the state served by an independent plant.

Fairhope's growth has been steady and its population is now estimated to be in the neighborhood of 1800 permanent residents. This is greatly augmented in both winter and summer by our numerous vacationists. This year we have the best Tourist Club the town has ever had. It affords the tourist many opportunities to find entertainment and to get acquainted both with his fellow tourists and with the townspeople. It is sponsored by the Chamber of Commerce but draws its greatest financial support from the Town Treasury and the Fairhope Single Tax Corporation. I enclose a folder which I hope will interest you and I assure you of my willingness to be of further service.

Very truly yours.

Missent (NOV 23 2)
51 PM
1937

Brand Of Duectors,

Single Tax Carperation.

Hairhope.

Alabama,



Nou, 20, th 1937. To The Ruard of purcture of the Single Tay Carpuration -pear Suis. Will you kindly Send me, literalue, and Buoklet, concerning the Town, saffairs, hamphlits, of which you might have of the town, I once lived, one counter in tanhape about 25-years ago, I remember his Foster who preached in The Little Baplist Church, I also beauded with mis Whittier fue a few days, I and my husband enjuged the winter, Find Stamps enclosed if not enough let me know when you send them Respectfully. Juns, mis Bufamin Kennek, Farm St. Lover. mass.

June 16, 1937

Mr. George Kerr 919 Yolo Drive Los Angeles, Calif.

Dear Sir:

I enclose he rewith a copy of the constitution of the Fairhpe Single Tax Corporation, a copy of the application required for a lease to land and of the lease contract.

The Corporation's unimproved and unleased-land is available on the terms set forth in the application and lease contract. The prospective lessee is required to accompany his application with a sum equivalent to six month's rent for the land applied for. If accepted hasis required to make a payment of \$1.00 for a lease issuance fee on delivery of the lease contract.

In consideration of the payment of the land rent by the lessee to the corporation, the corporation agrees to absorb state, county, school district and municipal taxes levied on the improvements and personal property of the lessee held thereon up to the full amount of the rent paid by such lessee.

Town lots of an average size of 66x132 ft. rent for from \$6.00 to \$70.00 per year while country lands rent for from 70¢ to \$2.75 per acre per year.

I appreciate your enquiry and shall be glad to be of further service should you so desire.

very truly yours,

Fairlege agel

Will you Rindly send me
information regarding terms
& donditions, upon which one
live on a use the lands
of the Colony & obeing

Yofurs very time

919 yolo drive George Kerry

Los angeles, Calif.



## FAIRHOPE SINGLE TAX CORPORATION

ADMINISTERING

## Fairhope Single Tax Colony

ESTABLISHED 1895

FAIRHOPE, ALABAMA

July 25, 1935.

This witnesses an agreement made this day by and betweem The Fairhope Single Tax Corporation, by E.C. Wolcott Ereasurer and E.B. Gaston, Secretary, and Jack Kessler that Kesseler contine as tenat of the Fformer Porterplace, occupied for some time past by him, (in condition as is) at a weekly rent of \$i.25, to be paid in credits of the Alabama Cooperative Industries No. 1 atxitsvailable for purchase of any goods produced by said A.C.L, available at the time eresesuch credits are presented and at the standard prices as existing at the time.

Kessler agrees to pay the \$1.25 above provided, weekly to the Treasurer of the S.T. Corporation.

This agreement to continue i n force until one party to same notifies the other to contrary; then to be settled to date.

WITNESS: FAIRHOPE SINGLE TAX CORPORATION?

By

Jack Keasler

Feb. 10, 1942

Mr. Geo. F. Ketchum 10 Linden Place Warwick, N. Y.

Dear Mr. Ketchum:

Your letter addressed to Mrs Mary Martin, Fairhope, with additional address instructions to the postmaster, was delivered to the office of the Fairhope Courier and then handed to me.

Under separate cover I am sending you a copy of a recent issue of the Fairhope Courier containing the recent annual report of our corporation which I am pleased to report has not "shriveled and dried up".

I am unable to get any line on who Mrs.
Mary Martin may be, but am vain enough for Fairhope
to presume that she may have been one of our many
visitors who received so much inspiration from Fairhope that when Mr. McHugh met her she identified
herself with Fairhope rather than with her home.

Mr. Powell died some years ago. He was not the editor of the paper but was a very active matter of our corporation. My father, Ernest B. Gaston was editor of the paper and secretary of the corporation, but he too is gone as are most of the old timers. And this fact, it appears to me goes further to prove that it is the soundess of our economic policy that accounts for Fairhope's success, rather than the quality of the individual direction.

We will be pleased to have you pay us a visit or to hear further from you should you desire further information.

Very truly yours,

- WARWICK, NEW YORK 10 LINDEN PLACE GEORGE F. KETCHUM Jan 31 100 42 Ago Edward his Hugh I am not sure of the Rev-Favorda Singer Jospel songs had part in program of greetings 2:45 cum on Nat Br, casting to - In Honor President's Bilday. announced he (MacHugh) going for rest for Ilonda, paid foodby to several founds and among others - as I memorized this name & Mrs wary Ma artin Fairhope & all dress; I don't know Ma Hugh- like on TE Spech voice & wors a apparent sin Cerity- But name "Fairhope". ala Caught my drowsy attention, having mobile hardware merchant about middle 20's 10 inpect the "Single-Tak Experiment, in which I had, and am

smal advocade tals for his Plan when a young man at the Browschyn Institute of arts and my visit to Tamport work 2 days and one enjlit ar Vellage I total s un 3 Powell, Edition of Velage paper, 3 was most cried - Escorting me about 20 9 got good ridea of the tren apparent success of the Experiment. I benow how wealthy even; his dels soup rufyling purup the morey to buy land en tee simple aganized confrantion. bd haves & leased land for rental value doing with speculative value, and owening the local service facilities street vellage hall, litephone, Schools ag. college, parms what I want to know is the model of promoting on has the shrivelul and dried up. Blean toto me in

hus Mary Martin

Fingle Tax Experiment

As address List non hound P. M. deliver To paper

Dear me Sablon Warwies: 24 2.16.42

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"The your flourishing Single Fax Colony.

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## National Popular Government League

TAKOMA PARK

PHONE, SHEPHERD 2162

WASHINGTON, D. C.

December 28, 1938

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Dear Mrs. Crawford:

Will you be good enough to inform me from whence comes the patent inside you use for the weekly issue of your paper and where it is edited.

I know that most local weekly papers have to use this service and you have no choice but to accept what they send you. I have no quarrel with that.

What does interest me and will doubtless interest you if you are not aware of the situation is the fact that Carter Field who writes the "National Affairs" column every week is the Washington representative of the McGraw-Hill Co. of New York which published the Electrical World and the whole outfit is violently pro-private utility and hostile to TVA and public ownership.

I know about Field and watched his work in your paper for several weeks and so I know he is putting over in practically every issue power trust propaganda while posing as an independent writer. This week's article on Arthur E. Morgan is typical.

I shall keep your paper and name confidential but I propose to expose this fraud on honest journalism a little later on and I want now to find to what extent Field's column is used. I assume you get the sheets all printed on one side and cannot edit or slash the stories if you chose.

Under other cover I am sending you my bulletin "Keep Your Eye On The Ball" which tells the truth in part about Morgan.

Yours very truly.

Judson King Director

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(Not printed at Government expense)

### igressional Record

### SEVENTY-FIFTH CONGRESS, THIRD SESSION

KEEP YOUR EYE ON THE BALL

An Analysis of the T. V. A. Controversy

REMARKS

HON. GEORGE W. NORRIS

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

March 25, 1938

Mr. NORRIS. Mr. President, I ask unanimous consent to insert in the RECORD a bulletin issued by Judson King, of the National Popular Government League, entitled "An Analysis of the T. V. A. Power Controversy."

It is worthy of perusal, I think, by anyone who is interested in this controversy. I have read it with a great deal of satisfaction; and I think anyone who is interested in the question now at issue ought to study, if he has time, this bulletin by Judson King.

There being no objection, the bulletin was ordered to be printed in the RECORD, as follows:

[National Popular Government League, Takoma Park Station, Washington, D. C. Bulletin No. 183, March 17, 1938]

KEEP YOUR EYE ON THE BALL—AN ANALYSIS OF THE T. V. A. POWER CONTROVERSY

(By Judson King, Director)

Let us not permit ourselves to become either confused or alarmed concerning this rumpus, in Congress and out, over investigation of the T. V. A. Every person who knows private utility tactics has long been aware that sooner or later the financial opponents of public power would raise a clamor and attempt to force an investigation of T. V. A. Truth would not be a factor. Any kind of trumped-up charges would serve, provided they confused the public, muddied the waters, delayed the Government's program, and helped win elections. The people must be made to believe their power system was being corruptly managed, sold down the river, or something. This would all be done, of course, in the name of protecting the people's property.

Progressives have known that the utilities would be the most unscrupulous and powerful opponent of building flood-control dams, no matter what the necessity, unless they controlled the electric power. Let us not permit ourselves to become either confused or alarmed

electric power.

Ontario Hydro had this same experience. It had a sensational investigation, as we shall see later. Our time has come. We have to go through with it. So let us have the inquiry, get it over promptly, and go on with our program. Let us have no "pooling" or other compromise which would permit the private interests to get control of the power developed at our yardstick and flood-central dams of which letter hundreds must be built making. control dams, of which latter hundreds must be built, making cheap public power available everywhere.

That's the ball. That's the rub. That's the bug under the chip. That's the Edgar Bergen behind this Charlie McCarthy

chip. babble.

SHALL THESE POWER MEASURES NOW PENDING IN CONGRESS BE SIDE-TRACKED?

Take a look at important power measures pending at this session of Congress, and it becomes clear how desperate the utility interests are for something which will serve as an immediate excuse for delay. That's the word—delay, delay, delay.

First comes the Norris regional conservation bill, which some call the "7-T. V. A." bill, although it is a more inclusive measure. Admittedly it is one of the most statesmanlike bills of this generation. Norris will press it, but the utilities are fighting it because

Admittedly it is one of the most states malike bills of this generation. Norris will press it, but the utilities are fighting it because it provides for public control of power.

The New England flood-control compacts, containing the "power loker" which would paralyze the Federal Power Commission and set a Nation-wide precedent for States' rights in power, are still pending.

Senator Norris has secured Senate approval of an additional \$10,000,000 beyond the Budget figure for the R. E. A. That will

electrify thousands of farm homes. It was blocked in conference committee by House Members, and whether the House will accept it is the question. The lobby is fighting it, and it hangs in the balance as I write.

the balance as I write.

Also pending is an appropriation for needed added construction at the Bonneville Dam, of which Mr. J. D. Ross is the honest and able administrator. It is being fought.

Next, and very important, an appropriation is pending to start construction on the already authorized Gilbertsville Dam at the mouth of the Tennessee River. If built quickly, it may do much to save the Mississippi Valley from a flood disaster like that of last year. The Norris Dam helped then and saved Cairo. But that means a possible 192,000 kilowatt-hours of electric power, not yet authorized, but the pen stocks will be there.

Finally, there is the Norris resolution directing the Federal Trade

yet authorized, but the pen stocks will be there.

Finally, there is the Norris resolution directing the Federal Trade
Commission to resume investigation of private-utility propaganda
and appropriating \$150,000 therefor. It has passed the Senate and
has been held up for a year in the House Commerce Committee.
Reports from over the Nation show the Power Trust has resumed
its corrupt political and propaganda activities, especially in throwing municipal elections for public plants which might be customers of the yardstick generating stations.

If the power growd can get enough Democratic votes in the

If the power crowd can get enough Democratic votes in the House to block any or all of these acutely important measures, it will have secured delay, which, as said, is one of its present

the first sectives the chief objectives.

Manifestly, then, the power crowd needs an excuse for a redherring rumpus, preferably a trumped-up scandal, and Dr. Arthur E. Morgan's charges against his fellow Board members are merely an incident which serves the purpose and very effectively.

But had Chairman Morgan worked for the past 5 years in perfect harmony with his colleagues, the enemies of T. V. A. would be the filled the circuit of the past of the property of the property of the present of the property of the present of t

have filled the air with other charges to secure an investigation.

POWER DIRECTOR DAVID E. LILIENTHAL

When David E. Lilienthal became Director of the Power Division of the T. V. A. program, he took an oath to the effect that he believed in the principles of the T. V. A. Act. That act, as passed after a 12-year conflict in Congress, contemplated and provided for Government operation of the T. V. A. power stations in competition with the private utilities. That principle was the cause of the long warfare and the heart of the matter. The act did not contemplate surrender through a power-pool compromise.

The following excerpt from Mr. Lilienthal's speech before the Rotary Club of Memphis in 1933 is typical of his attitude:

"The Authority is not engaged in a punitive expedition against the utilities. The Authority is an instrument of the people of the United States. It is charged with the duty of carrying out a national power policy, and the safeguarding of the public interest in the country's greatest resource, profoundly affecting the future

national power policy, and the safeguarding of the public interest in the country's greatest resource, profoundly affecting the future development and prosperity of our country and all of its people. This policy has not been formulated overnight. It is not a mere political accident. It represents more than a decade of careful consideration. It has been thoroughly debated in the Congress of the United States; it has been sponsored by the President of the United States. The power program of the Authority is an integral part of a larger policy for the economic development of the United States. "The duty of the Authority is to carry out that policy. But in carrying it out the Authority is determined to bring the least possible injury to actual investments in useful property."

Mr. Lilienthal kept the faith. He investigated the British grid

possible injury to actual investments in useful property."

Mr. Lilienthal kept the faith. He investigated the British grid system on the spot and decided against it. He found it in direct conflict with the fundamental principles of the T. V. A. Act. He fought it, as did Senator Norris, Chairman McNinch, Secretary Ickes, Representative Rankin, Administrator Carmody, and all sincere, weather-wise progressives. President Roosevelt took a look at the scheme and threw it out the window. Dr. Arthur E. Morgan favored it.

That is David Lilienthal's paramount sin. His next sin is that

That is David Lilienthal's paramount sin. His next sin is that That is David Lillenthal's paramount sin. His next sin is that he is a too efficient and altogether too effective executive. He is so intent on his job that he sometimes neglects social and personal amenities and gets himself disliked. He is a modest man, not a rough-and-tumble fighter, and his hesitancy before committees has been misinterpreted. But he is making a success of T. V. A. power, despite lawsuits and utility lies. Left unhampered, he will in a few years have T. V. A. power out of the red. He has even sold some blackers rooved. blocks of power to large industry in a competitive market which Mr. Willkie wanted. He knows every trick in the Power Trust bag;

that is another thing that hurts.

Mr. Lilienthal has another sin. In cooperation with the electrical workers and other labor unions he has worked out a labor policy of mutual understanding with organized labor. It is working well.

T. V. A. is the best organized governmental agency in the United States. Mr. Lilienthal believes in the right of labor to organize and in good wages and proper conditions, and has said so publicly. He is against company unions. That attitude toward labor is a guilt, in the eyes of big business, second only to his devotion to public property. power.

The great lawsuits, at least, are over. Memphis, Chattanooga, and Knoxville can now build plants, since Secretary Ickes is now free to advance the money. Business prospects for T. V. A. power are bright—Lilienthal must be stopped somehow—ah! an investigation.

### DR. ARTHUR E. MORGAN

A few days after his appointment as chairman of the T. V. A. in 1933 I had an interview with Dr. Morgan. He began his conversation with the pointed remark:
"I want to tell you one thing. I am not going to fight the power companies."

That might mean a very wise policy; namely, that as an administrator he would refrain from baiting or attacking private utilities. That also might mean he believed himself a diplomat clever and persuasive enough to get along peaceably with utilities. Or, far deeper, since the power executives were certain to fight him aboveboard and underground, it might mean compromise in a manner that would nullify the power policy of the Tennessee Valley Au-thority Act. His "I" implied that he was the Board or would dominate it.

thority Act. His "I" implied that he was the Board or would dominate it.

I was puzzled and disturbed, as much by the tone as the words, Dr. Morgan did not elucidate. Time would tell. But what was his attitude toward corporations and utilities? I dug up an article titled "Sky Hooks" he had written for Antioch Notes, his college publication, for January 1933. Here is a paragraph:

"We live so much through the service of public utilities that whoever controls them largely controls our lives. Europe turns to public ownership for protection. America would like to preserve the creative impulse and economy of private control, but unless in private control there is a degree of integrity and sense of trusteeship far beyond that required for small-scale business, or unless people are 'educated' to docility by the utilities, the public may be forced to take over the utilities in self-protection. Organizations like the American Telephone & Telegraph Co., by the honesty of their methods, do much to create public confidence in the management of affairs." [Italics mine.]

It is common knowledge that Dr. Morgan opposed Mr. Lilienthal's power policy from the start. Through 3 years this inside opposition continued and grew. Right after President Roosevelt indicated in 1936 that he was opposed to the "pooling" policy, Dr. Morgan issued a long statement, given enormous publicity by the conservative press, urging cooperation with the power companies on a basis of mutual confidence, the setting up of pools, and denying municipalities the right to establish their own distributing systems in competition with the companies. They must buy them out practically at company prices.

Said Senator Norris: "I was amazed at Dr. Morgan's position. Had I read his statement without knowing its author I would have unhesitatingly declared that it was the work of a Power Trust attorney."

Mr. George Fort Milton, editor of the independent Chattanooga

attorney.

attorney."

Mr. George Fort Milton, editor of the independent Chattanooga News, wrote a critical analysis of this pronouncement under the head of Morgan Pool Plan Has Fatal Flaws. Here is a sample:

"A second salient misapprehension, in our judgment, is the chairman's assumption that the holding-company executives in power pool negotiations, as 'trustees' for investors, would be justified in asking the T. V. A. to define 'its power policy and program, in order to remove what they claim to be a very real but undefined threat now hanging over them of uncompensated dismemberment and duplication of facilities.'

and duplication of facilities.'

"This statement involves the inference that the power policy and program of the T. V. A. is undefined. The fact is, however, that this power policy and program have been defined by the Norris Act proclaiming and establishing the public policy of the United States as to T. V. A. Any such 'definition' of the policy as Mr. Morgan demands would necessitate a reexamination of the whole T. V. A. program and the act of Congress on which it is based. It seems to us a strange thing that the Chairman of the T. V. A. about seems to us a strange thing that the Chairman of the T. V. A., about to enter negotiations as a representative of a public enterprise, would thus propose a course which might involve destroying the whole Norris Act."

While Mr. Lilienthal was negotiating with legitimate trade unions the establishing the present successful lebergatimate fractumions.

While Mr. Lilienthal was negotiating with legitimate trade unions in establishing the present successful labor policy for T. V. A., Chairman Morgan gave no help. He favored company unions, as shown by his public speeches and articles, even while the Wagner Labor Relations Act was pending in Congress. In Antioch Notes for March 1935, and again in March 1937, he wrote articles favorable to company unions which were promptly assailed by Labor, Washington newspaper of the railroad unions, and by the Electrical Workers' Journal as misleading and full of misstatements of fact. Labor laughed at Dr. Morgan's reference to the famous Baltimore & Ohio Railroad labor plan as a company union, which it is not. is not

is not.

In his article in 1937 Dr. Morgan stated:

"The company union afforded a golden opportunity for those in control of industry to discover an approach to industrial democracy and to develop capacity in workers for sharing both opportunity and responsibility. The fact that the very name has come to be hated by labor, and that commonly it has come to stand for methods

aimed at preventing such sharing, is evidence that management often has failed to make wise use of a great resource."

Marion H. Hedges, editor of the Electrical Workers' Magazine,

Marion H. Hedges, editor of the Electrical Workers' Magazine, himself a former university professor, wrote a scathing review of Dr. Morgan's position as shown by both articles. Said Mr. Hedges, under the heading "Arthur Morgan Re-Blesses Company Unions": "Here we find the same Protean words, the same sleight of hand of language, the same high-flown approach to the labor problem as Mr. Morgan manifests in his approach to the power problems: here also, however, is abject conservatism masking as liberalism; misinformation paraded as scholarship, and dangerous administrative policies made to look like expressions of noble emotions. One reads company unions with amazement. One is confounded by the confusion of mind displayed by Mr. Morgan. One finds the One reads company unions with amazement. One is confounded by the confusion of mind displayed by Mr. Morgan. One finds the article misinformed—almost ludicrous in its mixture of values and its distortion of facts. No thoughful man can believe that the head of the Tennessee Valley Authority could have put his initials to this crazy-quilt of labor philosophy."

Whether Dr. Morgan had all the above in the back of his head when he declared in 1933, "I am not going to fight the power companies," I do not know. If he did he should never have accepted the appointment, since he swore to uphold the act and that act states, "All members of the Board shall be persons who profess a belief in the feasibility and wisdom of this act." (Sec. 2, a.) If he developed them afterwards, he should have resigned as soon as he found himself unable to agree with the majority of the board, with the President and Senator Norris, and with all others who know his proposed policies would destroy the purpose of the T. V. A. Act.

DR. HARCOUET A. MORGAN

### DR. HARCOURT A. MORGAN

Dr. Harcourt A. Morgan was formerly president of the University of Tennessee. He is head of the fertilizer division of T. V. A. activities and is meeting with success in his efforts in a difficult field. Up to the time of his appointment, Dr. Morgan had not been concerned with utility problems and was not known as a public ownership man. He understood the T. V. A. Act, however, and naturally supported Mr. Lilienthal in his efforts to maintain its principles. Had he not done so, Heaven only knows where the T. V. A. would be today.

Dr. Morgan's department has never been under severe attack Too many farmers are involved. Politicians are sometimes wise.

ONTARIO HYDRO'S \$500,000 INVESTIGATION-A STRIKING PARALLEL

The number of points at which T. V. A. is repeating the history of the famous publicly owned and operated hydroelectric system of Ontario is startling.

Hydro began in 1910 with only 14 municipalities connected. By 1921, 268 were being served wholesale current. Domestic rates had dropped from an average of 9.3 cents per kilowatt-hour, prior to Hydro to the then unbelievably low average of 2.5 cents. Incidentally, the figure today is 1.43 cents for all Ontario.

Hydro's largest generating station, the Queenston-Chippewa development below Niagara Falls, was begun as a war measure, just as was Muscle Shoals. It would be finished in 1921. The yardstick effects of Hydro's low rates alarmed Canadian bankers and utilities, also those in the United States. Hydro's success must be discredited.

discredited.

Soon after the war a hurricane of "charges" were launched against Sir Adam Beck, chairman, and the commission by leading citizens, Members of Parliament, the utilities, engineers, and others, all of which were heralded in the press. Sir Adam was a ruthless "czar," just as Mr. Lilienthal is now a Hitler; vast sums had been misappropriated; there had been extravagance and corruption; the law had been violated; there had been waste and inefficiency; plant capacity was too huge—far beyond public needs; the debt would bankrupt the Province and taxes be raised enormously; rates were too low, the plan was not "sound," and a crash was inevitable.

Many good people of the Province became confused and thought something must be wrong. Finally, in April 1922 the Gregory commission was appointed to investigate, named from its chairman, a prominent barrister, one of the leading critics and even opponents of Hydro, as was a majority of the commission.

Politics: This was known to be a political stunt, but in the end it

of Hydro, as was a majority of the commission.

Politics: This was known to be a political stunt, but in the end it proved a boomerang, and a disgusted people defeated for reelection its leading proponents in Parliament.

Propaganda: The investigation proceeded for 20 months. The charges laid before the commission were heralded by the press and by word of mouth over Canada and the United States. The commission finally made its report to Parliament in 1924. Its substance may be gained from the headlines in the Toronto Globe of March 14, as follows:

may be gained from the headlines in the Toronto Globe of March 14, as follows:

"Hydroelectric Commission vindicated by investigation in Canada. Rash charges of irregularities were baseless 'ghost stories' that faded upon investigation. Gregory commission's report, tabled in legislature, completely vindicates hydroelectric project and even commends Sir Adam Beck's 'notable service to his Province.' Not a breath of suspicion of any 'personal wrongdoing.' Special reference to loyalty and efficiency of Engineers Gaby and Acres. Mild criticism of a few things which 'have been wrong.' Thinks radical policy a mistake. Province pays \$505,801 to learn Hydro is sound." The attempt to discredit Hydro fell flat, but it hampered the work of the commission. It cost the Province an enormous sum, but it served the purpose of delay and was for long used for propaganda purposes in Canada and the United States.

The Wyer episode of 1925: Old timers will recall the publication by the Smithsonian Institution of an attack on Ontario written by Engineer Samuel S. Wyer, of Columbus, Ohio, and sent to Members of Congress when the Norris Muscle Shoets of Spielous and Samuel Shoets of Spielous Congress when the Norris Muscle Shoets of Spielous Congress when the Norris Muscle Shoets of Spielous C. Wyer Chimad of Congress when the Norris Muscle Shoals bill was pending, which created a scandal. It was proven full of falsehoods. Wyer claimed to take his data from the report of the Gregory commission, but his statement was so garbled that even Chairman Gregory repudiated it. The Trade Commission revealed the utilities had paid for the whole printing and propaganda job.

The proposed investigation of T. V. A. has the same purpose—to serve as a springboard for propaganda which will be heralded over the country by the utilities for the next 5 years.

### THE BACKGROUND OF THE T. V. A. FIGHT

If we recall the reasons why T. V. A. was established it will illumi-

If we recall the reasons why T. V. A. was established it will illuminate the present controversy.

For 50 years the electrical industry had thwarted every effort at State or national regulation of rates or securities. The results were disastrous. Investors lost millions; consumers paid extortionate rates; politics, the press, the educational system, and the technical professions were corrupted.

The progressive leadership of the Nation turned to public plants which would compete with private plants. President Roosevelt championed the movement. That method had succeeded in many American cities. In 1921 Muscle Shoals gave opportunity to establish a superpower system, publicly operated like Ontario's, and Senator Norris led in the attempt to establish it. Senator Hiram Johnson and Representative Phil Swing fought for a similar project at Boulder Dam.

Johnson and Representative Phil Swing fought for a similar project at Boulder Dam.

The utilities decreed no generating stations. In 1928 their chief Washington lobbyist, Josiah Newcomb, got merry and brave at the Cosmos Club one night and boasted, "I represent a \$9,000,000,000 industry. We will not permit the United States Government to build generating stations." Boulder Dam and Muscle Shoals were ordered and the Power Trust was defeated on generation.

Next the utilities decreed no public transmission lines. Hoover would have compromised with Norris if Norris had forsaken transmission lines. He refused and finally the right was established in

Next the utilities decreed no public transmission lines. Hoover would have compromised with Norris if Norris had forsaken transmission lines. He refused, and finally the right was established in the T. V. A. Act and the Power Trust was defeated on transmission. Next decree, the building of municipally owned distributing systems must be stopped. Bond houses in many instances refused to deal in public bonds for that purpose, and where done interest rates were high. Secretary of the Interior Harold L. Ickes, P. W. A. Administrator, offered loans for such purposes and gave grants to speed up the work and relieve unemployment. All such projects were enjoined and construction delayed. The Supreme Court, January last, decided for the Government, and Secretary Ickes is now turning loose \$99,637,952, held in escrow, to 61 projects in 23 States for distribution systems. The cities will put up \$47,279,854 in addition. Ickes' action broke the solid front of banker opposition, and money is now easier from private sources. Hence the Power Trust was defeated on distribution.

In 1930 the utilities started the New River case, in 1934 the Ashwander case, and in 1936 the Nineteen Company case, all denying the right of the Federal Government to generate and sell electric power. They lost the Ashwander case in the Supreme Court. They lost the Nineteen Company case in the Supreme Court when Judge Florence E. Allen announced the decision January 21 last that "the statute is constitutional" and "these complainants have no immunity from lawful competition even if their business be curtailed or destroyed." It seems evident the Supreme Court will sustain Federal jurisdiction, and so the Power Trust is defeated on "constitutionality."

on "constitutionality."

### IF YOU CAN'T LICK 'EM, JINE 'EM

The utility interests have failed to block Government power systems. With the construction of hundreds of flood-control dams imminent, the situation is promising for consumers! From the stock gambler's angle it is alarming. You can't float water on low rates. Now comes from the Power Trust the proposal, "Let us cooperate. Let us go into partnership and avoid distressful conflict and duplication—have peace. Let us pool our interests." "Pooling" as the utilities desire it may be all right from an engineering viewpoint, but it is a grand way for the Power Trust to take the Government's yardstick plants into camp. For one thing, the vast investment of the utilities in generating and transmission facilities would be "frozen." On it the people would be compelled to pay interest indefinitely. It would not be amortized as the T. V. A. and other plants will be, with resultant cheap rates.

Mr. Wendell Wilkie, of Commonwealth & Southern, proposed

T. V. A. and other plants will be, with resultant cheap rates.

Mr. Wendell Willkie, of Commonwealth & Southern, proposed such a scheme. Many tried to expand it into a national power policy. Mr. Lilienthal and Dr. Harcourt Morgan fought it. Chairman Morgan favored it, as did other high Federal officials in the power field.

We have reached a split in the road, and that is the big practical issue back of this disgraceful rumpus.

### CONCLUSIONS

Bringing together the facts and considerations presented, it becomes clear that the real cause of the T. V. A. controversy is not, as pictured, a mere conflict of personal opinions or a temperamental feud between Messrs. Morgan and Lilienthal, each striving to be "it," with the implication that each is equally blamable. It is evident that Chairman Morgan has from the start been the aggressor and the accuser and the other two have been defending

not merely their personal status but the very heart of the power policy of the T. V. A. Act, which reactionaries everywhere are seeking to subvert.

Hence the remedy suggested by some and thoughtlessly accepted Hence the remedy suggested by some and thoughtlessly accepted by many that the whole Board should be forced to resign and new members appointed would not only work unthinkable injustice but would accomplish what all reactionaries desire—the elimination of Messrs. Lilienthal and Harcourt Morgan.

They have stood firm against compromise. The chairman has cooperation with utilities, and that is why Lilienthal is pictured as a deceitful, corrupt Hitler and the chairman as a sainted expression of great shillty and sound judgment under ner-

engineer-scholar of great ability and sound judgment under per-

secution

Lilienthal during this hullabaloo is going straight ahead and negotiating with Mr. Willkie for the purchase of the Tennessee Electric Power Co.'s properties. Whether Willkie will attempt to prolong unnecessarily these negotiations or whether he was sincere in his recent challenge to the T. V. A. to purchase remains to be seen. Certain it is that Lilienthal is a good bargainer in the public interest and will not brook needless delay. In that he takes the same position as Secretary Ickes, who flatly refused to postpone for 90 days the advance of money to Memphis, Chattanooga, Knoxville, and other municipalities to build transmission systems. Both men have been held up for 5 years by legal devices. No more delay. The public will approve their courageous stand.

Another thing is clear. The demand for investigation is partly a political play. The Republicans lost the elections in 1932, 1934, and 1936 when they fought the principle of public power. Now they shift to protecting the people from aneged maladministration of agencies based on that principle.

But the balloon of suspicion has now been blow so high that an investigation is necessary, and only one by Congress will suffice. President Roosevelt, charged with the Executive duty of administering the T. V. A. Act, could not do less than call for a show-down when open charges of dishonesty and perversion of government were made. He would have been equally condemned by reactionaries had he not called for a show-down. The refusal of Chairman Morgan to state facts in support of his charges when asked by the President should give pause to that portion of the public which honestly believes Dr. Morgan must be right.

Level-headed men acquainted with T. V. A. history do not believe Chairman Morgan has facts to sustain his charges. He desperately sought the removal of Director Lilienthal in May 1936. His accusations were at that time of the same tenor; and, if true, were serious enough to have prevented Lilienthal's reappointment, and, indeed, to have accomplished the ous Lilienthal during this hullabaloo is going straight ahead and

serious enough to have prevented Lilienthal's reappointment, and, indeed, to have accomplished the ousting of Dr. H. A. Morgan as well. Facts which were demanded by the President and Senator

Norris then as now were not forthcoming.

### WHAT WE MAY EXPECT

It is inevitable that in an enterprise of T. V. A. magnitude, public or private, some blunders, mistakes of judgment, some chiseling, and some extravagance should have occurred in the expenditure of millions over nearly 5 years. But we need not be surprised to discover that in respect to extravagance, if such is revealed, the greatest offender has been Dr. Morgan himself.

If the committee of inquiry does its duty and uncovers the source and the cost of false propaganda by the utilities, the harassing litigation, and the political intrigue undertaken to block and sidetrack T. V. A., the Nation will wonder how it has functioned as well as it has. Obstruction has cost the municipalities, electrical consumers, and the Government many millions

of dollars.

I venture to predict that, as in the case of Ontario Hydro, no "personal wrongdoing" will be uncovered on the part of the accused; no major mistake of policy, no raping of the T. V. A. Act, no betrayal of public interest; nothing of sufficient magnitude to justify the expense and trouble of this investigation, but, on the contrary, that the capacity of the Government to construct and operate projects of this kind will be demonstrated. Like Ontario, we shall have spent thousands of dollars to find T. V. A. sound, and this at the demand of men who are complaining of high taxes, demanding economy and efficiency in government.

and this at the demand of men who are complaining or high taxes, demanding economy and efficiency in government.

Meantime, in an extremely critical period of its history, the work of the Board and of the T. V. A. staff will be hampered and delayed, the whole Tennessee Valley will suffer, public opinion, Nation-wide, be distraught and divided, and, most serious, important flood-control legislation may be defeated at this session of Congress which should be enacted at the earliest possible moment for the protection of the lives and property of millions of American for the protection of the lives and property of millions of Ameri-

can citizens.

Blind Toryism will in the end awaken to find its inspired investigation both an economic and a political boomerang. It is for progressives to smile at the prospect while condemning its cause. Saddest of all will be the rapidity with which the Tories will drop Dr. Morgan into oblivion when he has served their

Behind it all looms the fateful issue of whether the Nation's natural resources in water and water power shall continue to be administered by the people's Government for the common welfare or by private corporations for extortionate gain; whether the tangible properties, to say nothing of intangible values, created by community effort, shall be used to build a better civilization or be utilized by private monopoly to enslave mankind.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to have printed in the RECORD at this point, the T. V. A. resolution as finally adopted by Congress.

The SPEAKER. Is there objection?

There was no objection.

Joint resolution (S. J. Res. 277) creating a special joint congressional committee to make an investigation of the Tennessee Valley Authority.

Valley Authority.

Resolved, etc., That for the purpose of obtaining information as a basis for legislation there is hereby created a special joint congressional committee to be composed of five Senators to be appointed by the President of the Senate and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. A vacancy on the joint committee shall be filled in the same manner as original appointments and shall not affect the power of the remaining members to execute the functions incumbent on the joint committee.

SEC. 2. It shall be the duty of the joint committee to make a full and complete investigation of the administration of the Tennessee Valley Authority Act of 1933, as amended, including the following, but not excluding any other matters pertaining to the administration and policies:

administration and policies:

(a) The efficient and economical administration of the act as amended by the Board of Directors of the Tennessee Valley Au-

administration and policies:

(a) The efficient and economical administration of the act as amended by the Board of Directors of the Tennessee Valley Authority and any of its subordinates.

(a) The total Federal sums appropriated by the Congress or allocated by the President to the Muscle Shoals project and the Tennessee Valley Authority, and also allocations made to power, navigation, flood control or otherwise, and the cost charged to power recoverable to the Treasury of the United States.

(b) Any interference or handicaps placed in the way of the prompt, efficient, and economical administration of its functions by internal dissension among members of the Board of Directors of the Tennessee Valley Authority and what effect such dissension, if any, has had upon the work of the Authority.

(c) Whether any member of said Board has held office or is holding office in violation of the act creating the Tennessee Valley Authority; and whether any member of said Board has aided or assisted directly or indirectly any private power company or other private interest in the institution or defense of suits and injunctions affecting the administration of the functions of the Tennessee Valley Authority.

(d) Whether, and if so, what suits have been instigated by any private power company or other private interest seeking injunctions against the activities of the Board; and what effect, if any, such injunctions or suits have had upon the administration of the act according to its terms; what disposition has been made of any such injunction suits and what has been the expense incurred by the Tennessee Valley Authority in defending them; what disposition has been made of such suits in any superior court to which they have been appealed; and what, if any, has been the loss of revenue to the Authority on account of such suits.

(e) Whether any financial loss has been caused to municipalities or farm organization perfected by the Board under said act by the prosecution of such injunction suits or by the action of any member of t

(h) What efforts, if any, have been made by private power companies or other private interests to affect the decisions or actions of municipalities or farm organizations with respect to the purchase of power from the Authority or acquiring title to their distributing systems.

distributing systems.

(1) Whether and to what extent, if any, have the public interests been injured or jeopardized by the activities of any private power companies or other private interest in attempting to prevent the Board from executing the provisions of said act.

(1) Whether or not said Authority has complied with that part of subsection (a) of section 8 of such act, as amended, which requires that the principal office of the Authority be maintained in the immediate vicinity of Muscle Shoals, Ala.

(k) Whether the charges made by Chairman Arthur E. Morgan that an attempt to defraud the Government of the United States

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has been made in connection with purchase of certain lands are true; whether the affairs of the Authority had been conducted in a clandestine manner frequently without the knowledge or presence of the Chairman; whether by action of the majority members the Chairman has not had opportunity to present his views before congressional committees. congressional committees.

(1) Whether the Tennessee Valley Authority has exhibited partiality to large corporations by supplying power at a cheaper rate than available to municipalities and corporations, by contracting for long periods of time a large majority of available hydroelectric power and by including in such industrial contracts provisions tantamount to a secret rebate in that delivery of "secondary" power is provided during the season of the year when only "firm" power is available from Tennessee Valley Authority dams.

(m) Whether the Authority has compiled with that part of section 14 of the Tennessee Valley Authority Act, as amended, which requires (a) that the Tennessee Valley Authority should have submitted to Congress on January 1, 1937, its allocation of costs to the various activities under its control up to that time, and (b) that the Tennessee Valley Authority submit in each annual report thereafter its similar allocation of costs for the period covered in its report.

in its report.

(n) Whether the Authority has interfered with the Comptroller General's audits of the Authority required to be submitted annually to Congress under section 14 of the act as amended.

(o) Whether it has offered unfair inducements to industrial organizations to leave their established locations to settle within the Tennessee Valley Authority territory.

(p) Whether it has forced rural customers to purchase expensive, unnecessary, and undesired electrical appliances under threat of refusing to supply electricity, and actually to have permitted potential customers to make heavy investments in appliances after which service was refused until further purchases were made of unnecessary and undesired electrical appliances.

(q) Whether by accounting methods and cost charges applicable to private industry, the electric rates of the Authority provide a legitimate, honest "yardstick" of equitable rates of private industry.

(r) Whether extravagance, mismanagement, and illegal conduct, if any, by the Board has dissipated funds appropriated to the Tennessee Valley Authority.

Sec. 3. The committee shall report to the Senate and House

Tennessee Valley Authority.

SEC. 3. The committee shall report to the Senate and House of Representatives as soon as practicable but not later than January 3, 1939, the results of its investigation, together with its recommendations, if any, for necessary legislation. If Congress shall not be in session at the time such report shall be made, the report shall be filed with the Secretary of the Senate and the Clerk of the House of Representatives. The committee or any duly authorized subcommittee thereof is hereby authorized to sit at such times and in such places in the District of Columbia or elsewhere as it may deem necessary and proper in the performance of its duties and during recesses and adjournments of Congress, or either House. It is specifically authorized to require the attendance of witnesses by subpena of otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, clerical and other assistants; and to employ stenographers at the cost not to exceed 25 cents per hundred words.

words.

The chairman of said committee or any member of a subcommittee may administer oaths to witnesses and sign subpoenas for witnesses which shall be served by any person designated by such chairman or member of a subcommittee.

The joint committee is authorized to have such printing and binding done as may be necessary and to make such expenditures as it deems advisable within the appropriation hereby authorized. Every person duly summoned by such joint committee or subcommittee thereof who refuses or falls to obey the summons or who falls to answer the questions pertinent to the investigation shall be punished by law. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (relating to examination and testimony of witnesses) shall apply with respect to any person who is summoned as a witness under authority of this joint resolution.

The expenses of such investigation not exceeding in the aggregate of \$50,000 shall be paid one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the joint committee

the joint committee

The chairman of the joint committee shall be selected by the joint committee. All hearings, orders, or decisions held before or made by the joint committee shall be public. The joint committee is authorized to utilize the services, information, facilities, and per-sonnel of any department or agency in the executive branch of the Government in the performance of its duties.

## ngressional Record

### SEVENTY-FIFTH CONGRESS, THIRD SESSION

Hydro Yardstick Systems

EXTENSION OF REMARKS

HON. GEORGE W. NORRIS OF NEBRASKA

IN THE SENATE OF THE UNITED STATES Wednesday, June 15 (legislative day of Tuesday, June 7), 1938

ARTICLE BY JUDSON KING, DIRECTOR OF THE NATIONAL POPULAR GOVERNMENT LEAGUE

Mr. NORRIS. Mr. President, I ask unanimous consent to print in the RECORD an article by Judson King, director of the National Popular Government League, in which a comparison is made between municipal and rural electrification projects in Ontario and the United States.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SHALL MUNICIPALITIES AND RURALS JOIN HYDRO YARDSTICK SYSTEMS?—MUNICIPALITIES OF ONTARIO'S "FOUNDING 14" 1908-38

The city officials and voters in scores of municipalities, big and little, in Nebraska, Washington, Oregon, Texas, the T. V. A. States, and other States are weighing the question of ownership and operation of electric light and power for their home towns and rural districts.

rural districts.

They are asking themselves—
Is it good business for us to construct or acquire a local retail distribution system, managed by ourselves, and buy our wholesale current from a Government or non-Federal yardstick system similar to the T. V. A. or Bonneville?

Will it lower our rates enough to justify the trouble?

Will it load a big debt on our town that will swamp us?

Will it pay its own way or must we increase taxes to support it?

Will the city treasury lose the taxes now paid by private companies which we must make up and lose in taxes what we gain by reduced rates?

If so, would it not be better for us to install our own independent generating plants—Diesel engine, gas, or steam—keep to ourselves, and decline to buy our wholesale current from Federal or State transmission systems?

Shall those of us who now own our plants enlarge them to meet

or State transmission systems?

Shall those of us who now own our plants enlarge them to meet growing consumption or save that money in view of purchasing our wholesale supply from public systems?

Are the stories told us by newspapers and Power Trust propagandists of the failure of public ownership in the United States and Canada actually true?

OVER 2,000 MUNICIPAL LIGHT PLANTS IN THE UNITED STATES HAVE

These questions in respect of low rates, debt, taxes, and efficient operation were faced years ago by the citizens of over 2,000 American municipalities which today own and operate their power plants. Despite the barrage of false propaganda, the common people of the Nation now know that with exceedingly few exceptions they have been remarkably successful and increasingly so in recent years. But these are all individual plants generating their own current. Up to the establishment of Boulder Dam in 1928 and the T. V. A. in 1933 there was no publicly owned and operated superpower system in the United States. The progress of the T. V. A. has been obstructed by lawsuits and injunctions brought by the Power Trust. So, although 56 municipalities have voted for T. V. A. current and some 400 are in various stages of considering the matter, only 19 are actually using it today. They are all remarkably successful. Nevertheless, we have no long-time, seasoned experience with a public network system such as proposed in Nebraska, Washington, and elsewhere.

But, for 30 years, the Province of Ontario has had such an experience under conditions similar to our own and the engineering and fiscal results of that experience are of the utmost value to us, whether or not we believe in public ownership.

THE 30-YEAR TEST IN ONTARIO In 1907-8 the municipalities and farm districts of Ontario faced the same problem which today confronts those of Nebraska and many other States. The Provincial Government in 1906 had created the Hydro-Electric Power Commission of Ontario and empowered it to supply wholesale current over a high-line network

to the city gates, they to do their own distributing. This is similar to our Authorities, either Federal or non-Federal. In fact, it served as a model for us. It is called, The Hydro for short. Thus the people of Ontario were given their opportunity. Several municipalities already owned their light plants; the majority were served by private companies. At that time the companies charged for domestic current 9.3 cents average per kilowatt-hour. In the United States it was then 9.2 cents average per kilowatt-hour, about the same.

In the United States it was then 9.2 cents average per kilowatt-hour, about the same.

At once there broke over Ontario the same kind of hurricane against public operation which we are now witnessing in the United States. The power companies and their spokesmen, bankers, newspapers, politicians, and lawyers, solemnly warned the cities against piling up municipal debts. The people were told the scheme was sure to crash, raise their taxes, and bring disaster upon them. They were told it was fantastic. It was radicalism and socialism, unfit for Ontario. I have read this propaganda and talked with old-timers who went through the struggle. The arguments were the same; even the language was the same as in the United States today. It took a great deal of courage in that period for the people to take the risks and make the step. There was no similar system in the civilized world which they could study for guidance.

for guidance.

To continue the parallel, they did have a sympathetic government and able leadership. Prime Minister Sir James Whitney, incidentally, leader of the Conservative Party, had the same courage and statesmanlike vision of the social importance of cheap electricity as President Roosevelt has. This is not a party question. For many years Mayor Adam Beck of London, Ontario, led the fight for the establishment of Hydro, just as Senator Norans led the fight for public operation of Muscle Shoals. Mayor Beck was made chairman of the Hydro Commission and was afterward knighted for distinguished service in this field.

So, from 1907 to 1910 the great question was, "To join or not to join the Hydro."

Some cities said, "No, we will be independent. We do not propose to be under any obligation to a bevy of bureaucrats off in Others said. "No private company note."

Toronto."

Others said, "No, private company rates are coming down. They have well served us a long time and we have no right to disrupt their business. It will be hard on investors."

Still others said, "It looks sound, but we will play safe. We will wait and see how the other towns come out."

But 33 cities and towns said, "Yes; we want cheap electricity and now. We are tired of being overcharged and fooled by these private concerns. This is a profitable business and we can run it." They held elections and by an average vote of 3 to 1 approved bonds to build their lines and signed up contracts with Hydro for wholesale power.

wholesale power.

But for one reason or another while the Commission was building the transmission network, some towns encountered delays, and when Hydro was inaugurated at a great celebration at Kitchener October 11, 1910, and Prime Minister Sir James Whitney put Adam Beck's finger on the button and turned on the current, only 14 municipalities were ready for service.

Hence, these are known, and proud to be, as the 14 founding municipalities of Ontario Hydro.

They were:

They were:

| The founding 14  |  |   |  |  |  |  |
|--|--|---|--|--|--|--|
| City City City City City City City City  | Popula-<br>tion, 1910  | Distance<br>from the<br>generating<br>station at<br>Niagara<br>Falls            | Horsepower<br>contracted<br>for at the<br>beginning,<br>1910   |  |  |  |
| Toronto London Kitchener Guelph St. Thomas Stratford Galt Woodstock Ingersoll Waterloo Preston St. Mary's Hespeler New Hamburg Total | 16, 000<br>15, 200<br>14, 000<br>13, 000<br>10, 500<br>10, 000<br>5, 000<br>4, 500 | 78<br>123<br>95<br>75<br>134<br>119<br>92<br>94<br>104<br>96<br>86<br>133<br>90 | 10, 000<br>5, 000<br>1, 000<br>2, 500<br>1, 500<br>1, 200<br>1, 200<br>685<br>600<br>500<br>300<br>250 |  |  |  |
| -tro Wd Descado Gamera astronos to   | 200 6004   | THE RESERVE   | 26, 235  |  |  |  |

Nore.—This was purchased power, but in 1937 the Hydro System owned and operated 41 hydroelectric generating stations with a total capacity of 1,422,000

That was the start. Despite the fact that rates were cut in half, these cities made a success. Boards of trade everywhere took notice. It was poor business to be left behind. The fear raised by false propaganda, crocked lawyers and engineers, subsidized politicians and newspapers, and the honest hesitancy of timid city officials and leading citizens vanished. The people demanded action. City after city binded Hydro. Growth was steady. Today 283 municipalities are connected, about all there are. Also, 174 "rural power districts," serving over 75,000 rural customers.

There is nothing like a vote on a bond issue to test real public opinion. I have records of the elections in 108 municipalities on the question of voting bonds and contracting for wholesale current with the Commission.

From 1907 to 1910 the vote stood 3 to 1 for.

From 1910 to 1916 the vote stood 8 to 1 for.

From 1910 to 1916 the vote stood 8 to 1 for.

From 1910 to 1922 the vote stood 10 to 1 for.

It has been the same since.

A very few voted "no" at first and later joined up. In a few cases not a single "no" vote was east. Today there is no public opinion against public ownership in Ontario. Too many millions of dollars have been saved to all classes and kept at home.

These were general-obligation bonds, secured by plant earnings, like those proposed in Tennessee, Nebraska, Washington, Texas, and elsewhere.

Despite false claims to the contrary, it is an historic fact that in the strength of the Province also. Hydro has paid its way.

But let us keep our eyes on the 14 and give answer to some stern questions. If the system is bad, they will be the worst off. If it is good, they will show favorable results.

Note first that some of these places, like Toronto and London, started off in competition with existing private companies. Others, like Kitchener, owned their plants and from then on used their steam stations for stand-by. Others bought out the private company when willing to sell at a fair price.

No sooner had the cities voted bonds than they were enjoined by injunction suits inspired by the private power corporations. The scheme was to hamper and delay the cities and the Commission through years of litigation and possibly wreck the whole enterprise. This is the tactic by which our Power Trust has for years bedeviled our cities, States, and power districts. They blocked Secretary Ickes P. W. A. loans to municipalities. They blocked Secretary Ickes P. W. A. loans to municipalities. They have gravely slowed down T. V. A. and are interfering in the Northwest, the Southwest, the Southeast, and everywhere a municipal or yardstick plant shows its head. These obstructive methods have cost the people millions on millions of dollars and the end is not yet.

But in Canada, and the British Empire judges are judges; they do not legislate of administer. Premier Whitney saw the danger and acted swiftly, yet with justice to all. On his recommendation the Ontario Parliament passed an act validating all municipal contracts and also forbidding any lawsuits being brought against the municipalities or the Hydro Commission except for good cause and on the approval of the Attorney General. For 30 years the public has had peace in executing its will but no injustice in

In table I, appendix A, to this bulletin, the reader will find official statistics of what has happened to domestic consumers. It will reward careful study. It is a strong indication of what the future holds for American cities and towns served from publicly owned superpower systems with public operation from the generators to the consumers meters and with no "pooling" or partnership with the Power Trust. The numbered paragraphs below key with the columns in the table, which show:

1. From 1913 to 1937 the total population of these places has increased from 526,000 to 859,000, or over 63 percent.

2. Annual domestic revenue rose from \$331,000 to \$5,790,000, over 17 times, a 1,650-percent increase.

4. Domestic consumers multiplied in number from 31,000 to 211,000, nearly seven times, a 552-percent increase.

5. Average domestic usage per month grew from \$1.3 kilowatthours to 153.2 kilowatthours, almost 9 times, a 785-percent increase.

6. Yet the average monthly bill increased from \$1.05 to \$2.14, only two times as much, a 104-percent increase.

7. The net cost per kilowatthour under hydro to 1.26 cents, a 738 percent decrease and a 650 percent drop under rates prior to the proper can be applied to the cost of the cost of

If space permitted, like tables would show similar result for business, professional, and factory customers as well as startling reductions in the cost of street lighting, water pumping, hospitals, schools, public buildings, and other municipal uses which are all paid from taxation.

For comparative purposes, Edison Electric Institute Reports show that the average cost of domestic current charged by private companies in the United States dropped from 8.7 cents in

1913 22 in to 4.4 cents in 1937, and monthly 1913 to only 66.4 in 1937.

Men worrying about taxes over in Ontario never talk about what the people save. Suppose we ask, "What would domestic consumers, of these 14 municipalities have paid, at average United States rates, for the same amount of electricity they have used during the past 5 years—1933 to 1937 inclusive?"

For answer we must first note that according to Statistical Bulletin No. 5, issued April 1938 by the Edison Electric Institute, the average cost for residential electric service in the United States for these years was as follows: 1933, 5.49 cents; 1934, 5.30 cents; 1935, 4.99 cents; 1936, 4.65 cents; 1937, 4.39 cents per kilowatt-

Next, consult the totals under table I, appendix A, and we discover these householders purchased 2,015,107,612 kilowatt-hours, which cost them \$27,888,242. If the reader will make a quick computation, he will find that service would have cost \$99,552,059 at our average rates, which is \$71,863,817 more than they actually did pay.

Further studies will show that the average cost of electricity for homes in these 14 municipalities has been below 2 cents per kilowatt-hour for the past 15 years and under 5 cents from the beginning in 1910.

It is it possible that the electrical departments in these municipalities can be in healthy financial condition when they charge such phenominally low rates?

Again let the duly audited official figures tell the story. They are given in table II of appendix A, and again the columns key with the paragraphs below.

1. Total assets in 1913 were \$8,970,323. In 1937 they were \$24,784,265, an increase of 890 percent.

2. Total liabilities were \$8,017,830 in 1913, and in 1937 they were \$24,784,265, an increase of 209 percent.

3. Standard reserves and operating surpluses increased from \$952,492 in 1913 to \$63,906,528 in 1937, an increase of 5,710 percent.

4. Total annual revenue grew from \$1,874,273 in 1913 to \$15,210,000 in 1937, an increase of 714 percent.

5. Finally, the percentage of net debt to total assets of the group dropped from 77.1 percent to 10.9 percent.

5. Finally sa a group they only owe \$10.90 on every \$100 worth of property they possess. This notwithstanding the fact that over the years increase of business has required an investment of many times the original cost of equipment, while rates have been materially dropping.

a City officials, engineers bond house experts, accountants, and rate analysts charged with the duty of fixing rate schedules and calculating the soundness of loans for municipal distributing systems should study these tables closely and supplement their examination by securing further data.

The reason is there is no such body of data in existence which of growth of load and financial stability for so long a period of time—28 years. They demonstrate further the utter futility of estimating future consumption and future revenue in public yardstick systems upon the basis of private company experience in the past with their high rates and low consumption.

Many questions of course will arise and the answers prove interesting. For example, it will be noted that at the end of 1937 the Toronto system was 31.7 percent in debt while the others were far lower. Why is this? Because Toronto has doubled in population and had tremendous industrial growth necessitating large outlay for additional plant and equipment while the smaller Again, one may ask, if the other towns like London, Waterloo, and New Hamburg have reserves and surpluses so tremendously in excess of their liabilities, why do they not call in their bonds, investigating trips to Ontario I have repeatedly asked that question of city officials and become wholly amortized? In my many investigating trips to Toriario I have repeatedly asked that question of city officials and plant superintendents. The answer has been that they are trying to recover these bonds but the holders will not sell them since they draw from 5.8 to 6 percent and the important to responsible American officials faced with decisions, As a matter of fact, the cities of London, Kitchener, Guelph, St. Thomas, Woodstock, Ingersol, Waterloo, Preston, Hespeler, and the bank, or other liquid forms, instantly available, and in each of these loans while they could clear their books tomorrow if the city treasures for general municipal purposes, would have each of the bance of many they have been actual

amortization, depreciation, and all possible charges) for the benefit of electrical consumers and on a businesslike basis.

"BUT ONTARIO MUNICIPALITIES PAY NO TAXES"

That is the alibi given by the Power Trust propagandists universally to account for Ontario's low rates. Let us see if it does. While the Hydro Commission pays the Province for the use of While the Hydro Commission pays the Province for the use of water and pays taxes on its tangible local properties, the municipalities as a rule do not. Their financial chances were uncertain in the pioneering period 30 years ago and they have not changed their practice, and they ask why a city should pay taxes on its own property. It is a moot question we have no time to discuss. In round figures American private utilities are selling current a triffe under 5 cents per kilowatt-hour, domestic. The total taxes, local, State, and national, paid by the power industry amount to under 3 mills per kilowatt-hour sold. But the average cost of domestic current in Ontario for several years has been 1.5 cents per kilowatt-hour, or under. Now add 3 mills, the American tax rate, to 1.5 cents and you get 1.8 cents as an Ontario rate, fully taxed, which is more than 3 cents under the average domestic cost per kilowatt-hour in the United States. Hence taxes do not explain Ontario's low rates or American high rates.

### THE OTHER 269 MUNICIPALITIES

THE OTHER 269 MUNICIPALITIES

In this bulletin we are dealing primarily with the 14 founding municipalities, but since they went pioneering in 1908, some 269 other municipalities have joined the Hydro—about all there are in Ontario. The history of these 269 shows similar healthy results. All we can say here is that the 1936 balance sheet for the 283 connected shows total assets of \$152,039,550; liabilities, \$40,657,706; reserves and surpluses, \$111,381,843, of which \$17,138,691 constitute the total operating surpluses and hence are liquid. In that year earnings were \$34,408,163, and the net average cost to domestic consumers over the entire Province was 1.47 cents per kilowatt-hour. kilowatt-hour

kilowatt-hour.

Some small or more remote places paid more than that, and some larger places less. To be exact, in 1936, 91.7 percent of householders of Ontario paid 1.9 cents or less; 7.9 percent paid from 2 to 3.9 cents, and 0.4 percent paid 4 cents or more.

In other words, the electrical consumers within the area of the integrated Hydro power system of Ontario, proceeding in the spirit of cooperation rather than going their separate individualistic ways, have for years back enjoyed and are now reaping the fullest benefits of the policy they adopted 30 years ago. American citizens in favored areas such as Nebraska, Washington, Tennessee, and elsewhere, are today faced with the same golden opportunity which confronted those in Sir Adam Beck's time, with the added advantage of starting with exceedingly favorable rates.

rates.

The rate structure of the Hydro is built on the principle of charging each class of ultimate consumers exactly what it costs to serve it. Each municipality pays the commission on the horsepower-year basis exactly what it costs to deliver current to its city gates. A scientific system of cost accounting is used to determine these respective rates, the only one in use on the continent up to very recently. The private companies have no such system. It was a tremendous advance step when undertaken and fulfills its purpose. The multipurpose yardstick systems being established under the New Deal have social as well as economic objectives, and the trend

now is toward uniform wholesale rates for large areas. All towns, for example, served by the Bonneville project will pay the same wholesale rates. The decentralizing effects of the plan are obvious.

THE GENERATING AND TRANSMISSION SYSTEM—THE WHOLESALE END

The Generating and transmission system—the wholesale end To supply these municipalities with power over the years has been the work of the Provincial Hydro-Electric Power Commission. At the start it purchased its power from the Ontario Power Co. at Niagara Falls. But in 1917 the commission purchased the company. It continued building and buying generating plants, large and small, as demand grew, until today it owns and operates 41 hydroelectric stations all over the Province and has built 15,000 miles of high-and low-tension transmission lines.

Customers served by the smaller plants have practically as low

and low-tension transmission lines.

Customers served by the smaller plants have practically as low rates as those served from Niagara. Indeed, Fort William and Ottawa, which for several years have had the lowest residential cost of all Hydro cities (0.8 cent; that is, 8 mills per kilowatt-hour, sic.), are not even in the Niagara system. Less than one-half of the commission's power is generated at the Niagara River. This fact is pertinent because private utility spokesmen and orators have long proclaimed "God made only one Niagara Falls, and it is the cheapest source of water power on earth." This is not true; but if it were, the gentlemen who give this as the reason for Ontario's low rates should explain why 100 kilowatt-hours of household current in 1937 cost \$2.18 per month from Hydro at Niagara Falls, Ontario, and \$3.06 from the Niagara Electric Service Corporation at Niagara Falls, N. Y., on the opposite side of the same river from which current for both is generated. Incidentally, for 500 kilowatt-hours Hydro charges \$5.58 and the American private company \$9.06. private company \$9.06.

To finance these gigantic developments has required vast sums of money. At first capital was borrowed from the Province, but recently the Commission has been issuing its own bonds and all

recently the Commission has been issuing its own bonds and an bonds are being amortized.

The Commission's condensed balance sheet here inserted as appendix B for October 31, 1937, shows total assets of \$339,000,000.

Add to this assets of the municipalities and farm districts now approaching a total of \$100,000,000, and the reader gains an idea of the magnitude of this public institution built up in 30 years, which in due course will be debt free—all paid from earnings.

### FINANCIALLY SOUND

Appendix C is a special table supplied by the courtesy of the Commission, which shows the relation of the capital invested in plan to the reserves and surpluses of the Commission and the municipalities, respectively. Here we find that the Commission's reserves total 35 percent of plant investment, and the reserves of the municipalities total 84 percent of their plant investment. Both evince an unusually sound financial status. The hydro has had its ups and downs. It has been bitterly fought by the private utilities from the start, including our own American Power Trust. It has survived war, the perturbations of politics, and of depressions. It is financially sound and is growing. It and the Niagara-Hudson Corporation of New York stand neck to neck today as the two largest electric superpower systems on the North American Continent or in the world. Whether one believes in public ownership or not, the engineering and financial data presented by this gigantic institution must challenge the attention of all students of the utility problem.

APPENDIX A TABLE I.—Domestic rates and service in the first 14 hydro municipalities, 1913 and 1933-37

| Municipality | Year   | Population (1)   | Revenue (2)  | Consumption<br>(kilowatt-<br>hours)  | Number of consumers  (4)  | Average monthly use (kilo-watt-hours)                      | Average monthly bill (6)  | Net cost<br>per kilo-<br>watt-hou                        |
|--------------|--|--|--|--|---|--|---|--|
| Toronto      | 1913<br>1933<br>1934<br>1935<br>1936<br>1937<br>1913<br>1933<br>1934<br>1935         | 376, 538<br>626, 674<br>626, 674<br>623, 562<br>638, 271<br>645, 462<br>50, 000<br>73, 173<br>73, 726      | \$190, 376<br>3, 716, 238<br>3, 914, 023<br>4, 057, 295<br>4, 269, 560<br>4, 376, 616<br>41, 172<br>492, 592<br>518, 046 | 4, 220, 270<br>257, 462, 959<br>284, 280, 769<br>302, 848, 895<br>325, 493, 864<br>344, 319, 645<br>920, 000<br>38, 451, 962<br>42, 587, 464                 | 16, 519<br>155, 397<br>153, 764<br>155, 749<br>157, 869<br>158, 735<br>5, 201<br>16, 367<br>16, 632 | 25<br>138<br>154<br>162<br>172<br>181<br>17<br>196<br>213  | \$1. 25<br>1. 99<br>2. 12<br>2. 17<br>2. 25<br>2. 30<br>. 76<br>2. 50<br>2. 60                | 4<br>1.<br>1.<br>1.<br>1.<br>4.                          |
| Kitchener    | 1936<br>1937<br>1913 1<br>1933<br>1934<br>1935<br>1936<br>1937                       | 73, 880<br>75, 484<br>73, 091<br>16, 000<br>31, 443<br>31, 252<br>31, 328<br>31, 933<br>32, 650<br>15, 200 | 540, 809<br>570, 952<br>524, 410<br>17, 757<br>193, 447<br>202, 025<br>202, 185<br>202, 274<br>193, 802                  | 43, 102, 507<br>47, 883, 498<br>48, 495, 779<br>359, 307<br>12, 000, 857<br>13, 243, 708<br>13, 305, 758<br>14, 054, 236<br>14, 333, 718                     | 16, 902<br>17, 686<br>17, 862<br>1, 694<br>7, 117<br>7, 173<br>7, 240<br>7, 357<br>7, 464           | 213<br>226<br>226<br>20<br>141<br>154<br>153<br>159<br>160 | 2. 66<br>2. 69<br>2. 44<br>. 99<br>2. 26<br>2. 36<br>2. 33<br>2. 29                           | 1.<br>1.<br>4.<br>1.<br>1.<br>1.                         |
| 3& Thomas    | 1913<br>1933<br>1934<br>1935<br>1936<br>1937<br>1913<br>1933<br>1934<br>1935<br>1935 | 15, 200<br>20, 754<br>21, 048<br>20, 882<br>21, 173<br>21, 455<br>14, 000<br>16, 275<br>16, 072<br>16, 066 | 11, 528<br>103, 446<br>110, 143<br>112, 426<br>117, 460<br>105, 593<br>11, 125<br>107, 077<br>115, 912<br>115, 087       | 14, 333, 718<br>224, 373<br>5, 951, 356<br>7, 357, 256<br>7, 336, 957<br>8, 336, 996<br>8, 832, 291<br>187, 000<br>7, 446, 821<br>8, 830, 120<br>9, 384, 168 | 1, 260<br>5, 008<br>5, 039<br>5, 101<br>5, 155<br>5, 226<br>951<br>3, 999<br>4, 060<br>4, 089       | 17<br>99<br>121<br>120<br>135<br>141<br>19<br>155<br>181   | 2. 16<br>.87<br>1. 72<br>1. 82<br>1. 84<br>1. 90<br>1. 68<br>1. 18<br>2. 23<br>2. 38<br>2. 35 | 1<br>5<br>1<br>1<br>1<br>1<br>1<br>5<br>1<br>1<br>1<br>1 |

TABLE I.—Domestic rates and service in the first 14 hydro municipalities, 1913 and 1933-37—Continued

| Totals.  | Galt.  Woodstock.  Ingersoll.  Ingersoll.  St. Marys.  St. Marys.  New Hamburg.  | THE STATE WAS GOODSTREET, MAKE STREET, DISTRICT TO BE CONTINUED. | Municipality                                    |
|--|--|--|---|
| 1913<br>1933<br>1934<br>1936<br>1937   | 1933<br>1933<br>1933<br>1933<br>1933<br>1933<br>1933<br>1933   | Service of the   | Year  |
| 526, 238<br>840, 403<br>840, 704<br>836, 136<br>853, 674<br>859, 507                             | 5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000<br>5000 | 3  | Population                                      |
| 330, 994<br>5, 123, 940<br>5, 365, 845<br>5, 531, 232<br>5, 876, 714<br>6, 790, 511              | \$15, 180 1145, 586 1145, 586 145, 586 145, 586 145, 586 145, 586 145, 586 146, 586 1  | (2)  | Revenue   |
| 6, 880, 023<br>350, 166, 550<br>386, 205, 866<br>405, 767, 162<br>414, 058, 113<br>458, 909, 921 | 8. 289, 459 8. 873, 125 8. 877, 333 8. 877, 377, 373 8. 877, 377, 373 8. 877, 377, 373 8. 877, 377, 373 8. 877, 377, 373 8. 877, 377, 373  | (3)  | Consumption (kilowatt-hours)                    |
| 31, 329<br>205, 413<br>204, 267<br>206, 712<br>209, 917<br>211, 427                              | 283 333 333 333 333 33 33 33 33 33 34 34 3   | (4)  | Number of consumers                             |
| 17. 3<br>133. 8<br>142.0<br>143. 0<br>149. 0<br>153. 2   | ######################################   | (5)  | Average<br>monthly<br>use (kilo-<br>watt-hours) |
| 222222<br>222222<br>222222<br>2122   | ######################################   | (6)  | Average<br>monthly<br>bill                      |
| 1111114  | #4444444444444444444444444444444444444   | 3  | Net cost<br>per kilo-<br>watt-hour              |

Sources: Data for domestic service in 1913 from the Nineteenth Annual Report, 1928, of the Hydro-Electric Power Commission of Ontario, statement D, pp. 340-401. For subsequent years, see statement D in annual reports for 1933-37.

NOTE.—Private company rates in these 14 municipalities prior to Hydro ran from 8 to 12 cents per kilowatt-hour. Their average transmission distance from Niagara Falls is 102 miles.

TABLE II.—Financial status of plants in the first 14 Hydro municipalities, 1913 and 1933-37—Continued

|  | Kitchener   | London   | Toronto                           | Municipality                                 | A APPROXIMATE OF THE PARTY OF  |
|--|---|--|-----------------------------------|--|--|
| 1934<br>1934<br>1935<br>1936<br>1937   | 1933<br>1934<br>1935<br>1936<br>1937<br>19131   | 1933<br>1934<br>1935<br>1936<br>1937<br>1937   | 1913                              | Year   |  |
|  | 333, 275, 1<br>333, 333, 333, 333, 333, 333, 333, 3   | 62, 889, 288<br>64, 600, 498<br>66, 298, 066<br>68, 991, 682<br>71, 207, 725<br>614, 974   | 671,                              | Total<br>assets                              | Parries, T   |
| 369, 652<br>320, 105<br>307, 144<br>299, 790<br>344, 658   | 1, 126, 674<br>1, 039, 385<br>1, 014, 749<br>914, 295<br>851, 081<br>266, 043   | 28, 149, 681<br>26, 765, 988<br>25, 217, 072<br>24, 165, 558<br>22, 701, 711<br>527, 509   | 257,                              | Total liabilities                            | Caret man cret   |
| 1, 739, 315<br>1, 878, 628<br>2, 013, 435<br>2, 165, 375<br>2, 326, 485  | 4, 126, 842<br>4, 439, 457<br>4, 727, 659<br>5, 137, 164<br>5, 424, 173<br>67, 856  | 34, 739, 606<br>37, 834, 509<br>41, 077, 491<br>44, 826, 124<br>48, 506, 014<br>87, 465  | 3 \$413, 949                      | Reserves<br>and surplus                      | 200-01   |
| 543, 198<br>579, 767<br>590, 511<br>621, 128<br>634, 704   | 1, 135, 430<br>1, 185, 817<br>1, 243, 123<br>1, 285, 373<br>1, 227, 322<br>94, 555  | 11, 895, 694<br>12, 428, 613<br>12, 737, 884<br>13, 185, 348<br>12, 914, 836<br>192, 224   | 146                               | Total<br>annual<br>earnings                  |  |
| 21.4<br>16.3<br>15.6<br>13.1   | 20.2<br>16.6<br>14.8<br>8.6<br>79.7   | 47. 4<br>43. 6<br>35. 9<br>31. 7<br>85. 8  | 93.8                              | Percent<br>net<br>debt to<br>total<br>assets |  |
|  |   | AND DESCRIPTION OF THE PERSON NAMED IN   |                                   | IN CONTRACT OF THE PARTY                     | 09-  |
|  | Stratford   | St. Thomas   | Guelph                            | Municipality                                 | No. of the last of |
| 1222   | 128381  | 1933<br>1934<br>1934<br>1935<br>1936<br>1937<br>St. Thomas 1937  | E E E E                           | Municipality Year                            | patitie  |
| 1933 1, 305,<br>1934 1, 370,<br>1935 1, 435,<br>1936 1, 472,<br>1937 1, 569,   | 1933 844,<br>1934 867,<br>1935 905,<br>1936 905,<br>1937 1,003,<br>19131 179,   | YM & S   | 1913 \$213                        |  | panties, 1913 at   |
| 1933 1, 305, 309 414,<br>1934 1, 370, 409 303,<br>1935 1, 435, 522 395,<br>1936 1, 472, 436 344,<br>1937 1, 569, 276 345,  | 1933 844, 386 40, 1934 867, 865 16, 1935 908, 706 16, 1935 908, 492 15, 1937 1, 003, 037 20, 19131 179, 323 140,  | 1933 1, 033, 1, 103, 1100, 1934 1, 100, 1935 1, 134, 134, 135, 1, 134, 135, 1, 292, 1937 1, 292, 1913 176,   | 1913 \$213.471 \$122              | Year   | pairres, 1913 and 1933-37  |
| 1933 1.305.309 414.338 899.0 1934 1.370.409 318.839 976. 1935 1.435.522 395.859 1.039. 1936 1.472.436 344.834 1.127. 1937 1,562.276 345.523 1.223.                           | 1933 844, 386 40, 150 894, 1934 867, 865 16, 786 891, 1935 908, 706 16, 781 891, 1936 985, 452 15, 800 949, 1931 179, 322 140, 562 38,  | 1933 1, 033, 688 77, 1934 1, 100, 433 76, 1934 1, 100, 431 76, 1935 1, 134, 009 32, 1937 1, 202, 472 28, 1937 1, 202, 472 28, 2013 1, 1937 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 2013 1, 202, 472 28, 202, 472 28, 202, 472 28, 202, 472 28, 202, 472 28, 202, 472 28, 202, 472 28, 202, 202, 472 28, 202 | 1913 \$213.471 \$122.356 \$91     | Year Total assets                            | pairries, 1913 and 1933-37—Continu   |
| 1933 1.30.5 30.9 414 338 980, 970 1934 1.370 4.09 30.3 630 976 777 1965 1.455, 522 30.5 639 1.039, 662 1.472, 436 341, 624 1.127, 616 12 1967 1.566, 776 344, 523 1.227, 733 | 1933 844 366 40, 150 804, 216<br>1934 867, 865 16, 756 851, 107<br>1935 908, 706 16, 781 891, 992<br>1936 963, 452 15, 800 949, 502<br>1937 1, 003, 303 20, 518 882, 513<br>19131 179, 323 140, 562 38, 761 | 1933 1.033,688 77,325 956,<br>1934 1.100,443 76,494 10,321<br>1935 1.134,009 32,135 1,101,<br>1936 1.209,745 29,542 1,180,<br>1937 1,22,472 29,544 1,283,<br>1937 1,22,472 99,997 76,  | 1913 \$213.471 \$122.355 \$91.115 | Year Total Total lia-<br>assets bilities     | pairries, 1913 and 1933-37—Continued   |

11914 the first year in which all items are given.

1914 the first year in which all items are given.

TABLE II.—Financial status of plants in the first 14 Hydro municipalities, 1913 and 1933-37.—Continued

| Municipality   | Year         | Total assets                 | Total liabilities    | Reserves<br>and surplus | Total<br>annual<br>earnings  | Percent<br>net<br>debt to<br>total<br>assets |
|--|--------------|------------------------------|----------------------|-------------------------|------------------------------|--|
| Ontario Hydro  | ,83756       | 1286                         | 2                    | 3                       | asiq to a                    | 5  |
| -  |              |                              | -                    |                         |                              |  |
| Galt   | 19131        | \$192, 343                   | \$161, 667           | \$30, 676               | \$45, 233                    | 84.0   |
| onfer   conjour  | 1933         | 1, 320, 775                  | 329, 086             | 991, 688<br>1, 056, 857 | 247, 080<br>245, 027         | 24. 5<br>22. 0                               |
|  | 1934         | 1, 372, 857<br>1, 391, 124   | 315, 999<br>265, 312 | 1, 056, 857             | 253 590                      | 18. 9  |
|  | 1935         | 1, 391, 124                  | 232, 250             | 1, 204, 435             | 253, 590<br>260, 220         | 16.0   |
|  | 1937         | 1, 498, 845                  | 211, 938             | 1, 286, 907             | 254, 258                     | 13. 6  |
| Woodstock  | 1913         | 170, 938                     | 107, 385             | 63, 553                 | 47, 214                      | 62. 8  |
| 27.79 47 47.79   | 1933         | 740, 079                     | 86, 047<br>83, 253   | 654, 032                | 170, 880                     | 6. 2   |
|  | 1934         | 778, 498                     | 83, 253              | 695, 244                | 178, 055                     | 5. 9   |
| THE PARTY OF THE P | 1935         | 814, 022                     | 75, 677              | 738, 344                | 182, 899<br>188, 731         | 3. 6<br>2. 9                                 |
|  | 1936         | 818, 030<br>874, 045         | 51, 208<br>48, 995   | 766, 822<br>825, 050    | 205, 618                     | 2. 9   |
| Ingersoll  | 1937         | 103, 692                     | 48, 995<br>91, 654   | 12.038                  | 30, 176                      | 88. 4  |
| тиРогоди   | 1913         | 383, 011                     | 100, 662             | 12, 038<br>282, 349     | 77, 079                      | 13.0   |
|  | 1934         | 399, 434                     | 97, 218              | 302, 214                | 80, 087                      | 9. 2   |
|  | 1935         | 416, 271                     | 95, 360              | 320, 910                | 81, 465                      | 6.9  |
|  | 1936         | 434 987                      | 91, 067 1            | 343, 920                | 84, 572                      | 3.4  |
| 10 to 100 to 100 to  | 1937         | 449, 476                     | 86, 942<br>58, 965   | 362, 534                | 81, 984                      | 72.6   |
| Waterloo   |              | 81,868                       | 58, 965              | 22, 898<br>390, 254     | 29, 626                      | 72. 0<br>22. 1                               |
|  | 1933         | 460,488                      | 70, 234<br>54, 078   | 390, 254<br>429, 727    | 115, 176<br>120, 431         | 12. 5  |
|  | 1934<br>1935 | 483, 806<br>513, 194         | 54,078<br>51, 282    | 429, 727                | 120, 431                     | 10. 9  |
|  | 1935         | 513, 194<br>545, 729         | 43, 140              | 502, 589                | 129, 317                     | 7.8  |
|  | 1936         | 575, 609                     | 38, 156              | 537, 454                | 128, 589                     | 6. 7   |
| Preston  | 1913         | 97, 054                      | 78, 934              | 18, 120                 | 128, 589<br>34, 688          | 81. 3  |
| 20 98   27 015 10  | 1933         | 466, 449                     | 59, 689              | 400, 759                | 90,010                       | 19. 2  |
|  | 1934         | 486, 423                     | 55, 010              | 431, 412                | 96, 459                      | 17.3   |
|  | 1935         | 506, 973                     | 50, 822              | 456, 150                | 98, 307                      | 15.6   |
|  | 1936         | 532, 642                     | 44, 919              | 487, 727                | 102, 004<br>99, 057          | 13.4   |
| Qt Morre   | 1937         | 544, 577<br>74, 491          | 44, 063<br>54, 264   | 500, 514<br>20, 227     | 20, 173                      | 72.8   |
| St. Marys  | 1913         | 74, 491<br>241, 589          | 54, 264<br>44, 746   | 196, 843                | 58, 983                      | 26. 6  |
|  | 1933         | 251, 367                     | 40, 345              | 211, 021                | 62, 253                      | 23.6   |
|  | 1934         | 263, 046                     | 36, 457              | 226, 588                | 64, 286                      | 21, 6  |
| THE PERSON NAMED IN COLUMN   | 1936         | 381, 649                     | 34, 039              | 247, 610                | 64, 286<br>68, 237           | 18.0   |
|  | 1937         | 304, 163                     | 31, 737              | 272, 426                | 68, 446                      | 15.4   |
| Hespeler   | 19131        | 32, 570                      | 30, 108              | 2, 462                  | 10, 418                      | 92.  |
| THE RESERVE OF THE PARTY OF THE | 1933         | 170, 060<br>180, 342         | 35, 087              | 134, 973                | 62, 868                      | 31.0   |
|  | 1934         | 180, 342                     | 34, 305              | 146, 035                | 61, 449<br>69, 060           | 29. 6<br>25. 8                               |
|  | 1935         | 194, 651                     | 31, 219<br>29, 235   | 163, 430<br>180, 604    | 70, 785                      | 25.  |
|  | 1936<br>1937 | 209, 839<br>222, 766         | 29, 235 26, 919      | 195, 847                | 64, 411                      | 20. 2  |
| New Hamburg  |              |                              | 20, 848              | 7, 215                  | 11.424                       | 74.  |
| TION TIGHTOURS   | 1933         | 82, 277                      | 7, 244               | 7, 215<br>75, 032       | 22, 282                      | 13.6   |
|  | 1934         | 87,074                       | 6, 116               | 80,956                  | 21, 683                      | 11.0   |
|  | 1935         | 92, 150                      | 5, 291               | 86, 858                 | 21, 790                      | 9.5  |
|  | 1936<br>1937 | 97, 964<br>102, 405          | 4, 374<br>3, 460     | 93, 590<br>98, 945      | 21, 863<br>22, 016           | 7. 5<br>5. 8                                 |
| Total  | 1913         | 8, 970, 323                  | 8, 017, 830          | 952, 492                | 1, 874, 273                  | 77.  |
| 10001  | 1933         | 77, 299, 863                 | 30, 910, 615         | 46, 389, 242            | 15 209 837                   | 20.  |
|  | 1934         | 79, 656, 594                 | 29, 298, 682         | 50, 357, 892            | 15, 886, 375<br>16, 314, 229 | 16.  |
|  | 1935         | 79, 656, 594<br>82, 027, 721 | 27, 595, 160         | 54, 432, 045            | 16, 314, 229                 | 15.  |
|  | 1936         | 85, 613, 460                 | 26, 300, 101         | 59, 213, 367            | 16, 892, 694                 | 12.  |
|  | 1937         | 88, 590, 794                 | 24, 784, 265         | 63, 806, 528            | 16, 544, 842                 | 10.  |

<sup>1 1914,</sup> the first year in which all items are given.

Note: Data for financial status in 1913 from the Seventh Annual Report, 1914, of the Hydro-Electric Power Commission of Ontario, statements A and C, pp. 144-156; 168-181. For subsequent years, see same statements in annual reports, 1933-37.

Note.—The accounts of the Hydro-Electric Power Commission of Ontario are audited by an independent firm of certified public accountants appointed by the Government of Ontario for that purpose, comparable in standing to the Price Waterhouse Co. of the United States and England. The accounts of the municipal hydros are audited by the respective city auditors and by the Commission's auditors. All accounts are accepted by banks and others as beyond challenge and they have never been questioned in Ontario.

### APPENDIX B

The Hydroelectric Power Commission of Ontario
(Balance sheet as at Oct. 31, 1937, in which the following properties are included: Niagara system, Georgian Bay system, Eastern Ontario system, Thunder Bay system, local distribution systems, rural-power districts, Bonnechere River storage, service and administrative buildings and equipment)

| ASSETS   |                     |  |
|--|---------------------|--|
| Investments:   |                     |  |
| Fixed assets:  |                     |  |
| Niagara system   | \$217, 008, 414. 96 |  |
| Georgian Bay system  | 10, 841, 493. 58    |  |
| Eastern Ontario system   | 23, 658, 332, 72    |  |
| Thunder Bay system   | 19, 548, 207. 90    |  |
| Nonsystem properties   | 201, 032, 39        |  |
| Nonsystem properties Service and administrative buildings and  |                     |  |
| equipment  | 3, 107, 802. 30     |  |
|  |                     |  |
|  | 274, 365, 283, 85   |  |
| Less: Grants-in-aid of construction: Province  |                     |  |
| of Ontario, for rural-power districts  | 11, 951, 891. 63    |  |
| or onward, for rural power   |                     | \$262,413,392.22   |
| Preliminary expenditures, intersystem:   |                     |  |
| St. Lawrence River surveys, 1925 to 1928   | 734, 873, 31        |  |
| Ottawa River surveys and undeveloped   |                     |  |
| power sites  | 346, 621, 53        |  |
| Ogoki River surveys.   |                     |  |
| OBORT INTO DATE OF THE PROPERTY OF THE PROPERT |                     | 1, 182, 302, 67  |
|  |                     | THE PARTY OF THE P |

### The Hydroelectric Power Commission of Ontario-Continued

| Assets—continued   |  |
|--|--|
| Investments—Continued.  Miscellaneous investments:   |  |
| Toronto-Point Credit-St. Catharines Radial   |  |
| Rys., secured \$2,005, 436. 40 The Hamilton Street Ry. Co., capital stock  |  |
| and advances 2, 913, 932, 69 Investment securities 2, 385, 351, 00   |  |
| Sale agreements and mortgages 1, 138, 177. 49  | Resourcest   |
| connery (heaved depressed that ph-   | \$8, 442, 897. 58  |
| e reserves \$7,000 551 50  | 272, 038, 592. 47  |
| Current and accrued assets:  |  |
| Cash in banks Special deposits for matured interest and debentures unpaid  | 1, 796, 025. 34<br>69, 839. 06                                 |
| Sundry accounts receivable   | 586, 099, 91   |
| Power accounts receivable  | 3, 227, 856. 97<br>221, 529. 53                                |
| Interest receivable  | 661, 424. 91   |
| Rural-district loans   | 661, 424. 91<br>967, 419. 55<br>87, 507. 18                    |
| Rural power district grants receivable   |  |
| Securities, at par value 540, 300. 00  | 710 500 00   |
| the one galled engine to arothest town, were more to   | 718, 588. 89   |
| *Amount due from special funds—net   | 8, 336, 291. 34<br>309, 111. 10                                |
| Amount due from special futus nos  |  |
| 26.301.017.7   | 8, 645, 402. 44  |
| Deferred debits: Rural-power districts, rates suspense   | 433 606 36   |
| Maintenance materials and supplies   | 638 952 97   |
| Construction materials and supplies<br>Construction and maintenance tools and equipment  | 1, 102, 464. 64<br>735, 885, 39                                |
| Office furniture and equipment  Prepayments  | 1, 102, 464, 64<br>735, 885, 39<br>65, 711, 30<br>123, 643, 71 |
|  |  |
| Work in progress.  Water heater campaign  Deferred work orders   | 218, 706. 29<br>12, 838. 88<br>157, 035. 87<br>16, 256. 67     |
| Unamortized debenture discount   | 157, 035. 87   |
| Miscellaneous deferred debits  | 16, 256, 67  |
|  | 3, 505, 124. 10  |
| Special funds:   |  |
| Reserve funds:<br>Investments\$42, 666, 487. 73  |  |
| *Amount due to current assets 464, 310. 59   |  |
| Employers' liability insurance fund:   | 42, 202, 177. 14   |
| Investments 877, 758. 62 Deposits with the workmen's compensation  |  |
| board 38,759.37  |  |
| *Amount receivable from current assets 62,851.00   | 979, 368. 99   |
| Pension fund:  |  |
| Investments  |  |
|  | - 5, 089, 911. 87  |
| Sinking funds: Investments 6, 690, 684. 52   |  |
| Deposits in the hands of trustees, including temporary investments. 416, 595. 95   |  |
| *Amount receivable from current assets 71, 914. 1:   | 7, 179, 194, 56  |
|  | 55, 450, 652, 56   |
|  | 339, 639, 771. 57  |
| LIABILITIES, RESERVES, AND EQUITIES  |  |
| Tong-term liabilities:   | \$111 687 619 69   |
| Funded debt issued or assumed.  Less: Debentures issued to finance properties  | <b>4</b> 111, 001, 012. 02                                     |
| operated for others: Northern Ontario Properties   | market at Jack   |
| Guelph Radial Ry   | The second of  |
|  | - 24, 300, 000. <b>00</b><br>87, 387, 612. 62                  |
| Advances from the Province of Ontario 150, 491, 796. 8   |  |
| Less: Advances for Northern Untario prop-  | 2  |
|  | - 143, 960, 389, 44  |
| Purchase agreements: Thunder Bay system transmission lines   | 231, 550, 491, 92  |
|  | 231, 000, 401, 02  |
| Current and accrued liabilities:  Bank of Montreal, demand loan, secured   | _ 500, 000. 00   |
| Bank of Montreal, demand loan, secured  Accounts and pay rolls payable \$1,946,936.1  Less: Amount for Northern Ontario prop-                                  | 3  |
| erties111, 084. 7  |  |
| 35-toned debenture interest uppoid   | 60 294 56  |
| Matured debentures unpaid.   | 6, 055. 00   |
| Matured debentures unpaid Debenture interest accrued Interest accrued on Provincial advances \$2, 311, 609. 5  | 980, 124. 24   |
| Less: Amount for Northern Ontario proper-  | 7  |
| Less: Amount for Northern Ontario proper-<br>ties 122, 451. 4  | 2, 189, 158. 03  |
| Miscellaneous accrued interest   | 6, 564. 93<br>63, 987. 40                                      |
| Miscellaneous accrued interest. Miscellaneous accrued liabilities. Power accounts receivable, credit balances. Advances from the Province of Ontario for rural | 29, 190. 80  |
| loans  | . 1, 224. 5 92   |
| Liability for consumers' and contractors' deposits   | - 746, 114. 21<br>6, 517, 565. 05                              |
|  | 6, 517, 565. 05  |
|  |  |

## CONGRESSIONAL RECORD

The Hydroelectric Power Commission of Ontario—Continued LABILITIES, RESERVES, AND EQUITIES—continued

Deferred credits: \$1,482,106.92
Rural power districts, rates suspense. 203 788. 26
Unamortized premium on debentures. 203 788. 26
Miscellaneous deferred credits 110,010.49 1, 825, 908. 67

Reserves:
Depreciation and obsolescence reserves: Additions to property through depreciation and obsolescence reserves.
Depreciation and obsolescence reserve funds..... Employers' liability-insurance reserve.

Pension-fund reserve.

Miscellaneous reserves. \$7, 999, 551. 59 29, 191, 957. 04 8, 113, 778. 50 4, 823, 014. 18 73, 427. 42 13, 010, 220. 10 979, 368. 99 5, 089, 911. 87 137, 981. 99 37, 191, 508. 63

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E

Equities of municipalities and rural power districts:

Municipalities' and rural power districts' equities being the acmuniated contributions of consumers including interest accretions for annual sinking fund appropriations, represented by:
Funded debt retired through sinking funds.

Provincial advances retired through sinking funds.

Sinking funds. 56, 408, 991. 58

25, 644, 848, 66 7, 179, 194, 56 43, 336, 819, 35 339, 639, 771, 57

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We have examined the accounts of the Hydroelectric Power Commission of the Province of Ontario for the year ended October 31, 1937, and report that, in conjunction with our annual report to the Lieutenant-Governor in Council, in our opinion the above balance sheet is properly drawn up so as to exhibit a true and correct view 80034—15840

of the state of the commission's affairs at October 31, 1937, according to the best of our information and the explanations given to us and as shown by the books and records of the commission. We have obtained all the information and explanations we have required.

Occar Hudson & Co.,
Chartered Accountants, Auditors.

Dated at Toronto, Ontario, April 9, 1938.

APPENDIX C

Relation of plant capital to reserves and surplus, Ontario Hydro

properties, 1937

| otal power properties Do                                   | Total   | Totalhunder Bay<br>Do                                   | astern Ontario                      | orgian BayDo   | agaraDo  | System                             |
|--|---|---|-------------------------------------|--|--|------------------------------------|
| Hydro<br>Municipal.  | Hydro<br>Municipal.                             | Hydro<br>Municipal                                      | Hydro<br>Municipal                  | Hydro<br>Municipal                                     | Hydro<br>Municipal   | Property                           |
| 262, 338, 966. 61<br>95, 732, 133. 33<br>358, 071, 099. 94 | 22, 104, 345, 39<br>42, 758, 67<br>614, 706, 94 | 29, 528, 102. 36<br>19, 477, 394. 17<br>2, 626, 951. 22 | 21, 335, 647, 75<br>8, 192, 454, 61 | 9, 570, 008. 21<br>2, 833, 961. 93<br>12, 403. 970. 14 | \$211, 913, 157. 81<br>81, 464, 058. 63<br>293, 377, 216. 44 | Capital, plant                     |
| 92, 813, 248. 35<br>80, 463, 149. 72<br>173, 276, 398. 07  | 8, 687, 112, 50<br>9, 665, 70<br>487, 421, 24   | 5, 319, 630, 44<br>3, 367, 482, 06                      | 8, 358, 674. 05<br>8, 530, 829. 27  | 4, 225, 757. 37<br>2, 969, 743. 37<br>7, 193, 500. 74  | \$74, 893, 520. 79<br>65, 107, 673. 78<br>140, 005, 194. 57  | Total reserves and surplus         |
| 35. 38<br>84. 05<br>48. 39                                 | 22. 61<br>79. 29                                |   | 1. 1                                |  | Percent<br>35.34<br>79.92                                    | Re-<br>serves<br>to plant<br>value |

Mch. 15, 1947

Mr. C. T. Kinney, Rt. #3, Box 21, Huntsville, Arkansas

Dear Mr. Kinney:

Our corporation does not handle any sales of improved properties. Properties for sale are generally listed with local real estate agents or are sold directly by the owners. We do not come into the transaction except to approve transfer of the lease. There are few such properties as you describe on our x lands, but there are several. I have no information that any are at present for sale.

I regret to inform you we have no unleased sites that would be available for such a development. Under separate cover I am sending you the lease forms in use by us and general descriptive material.

I suggest that you pay us a visit and make a personal inspection before you make any definite decisions. Just at the present time demand for property here is high and the prices are correspondingly high. I believe conditions for making a favorable deal will be better later.

Very truly yours,

Secretary

Huntsville, Ark. Feby. 16th. 1948

Mr. Gaston: -

Please send me information relative to the Single Tax Lease Lands in Alabama.

I am retired and would like five to
ten acres of land with as many modern convenience
as possible, where I could have chickens, cow and
sufficient land for home garden and pasture with
wood lot. Do these lands have fruits and nuts?
If you should know of such a lay out that is for
sale kindly advise property in detail and price
asked.

Thanking you, I am

House must have two or more bedrooms.

Yours truly, C.T.Kinney Rt 3 box 21

huntsville rk.



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

Oct. 23, 1939.

Mr. Wm Klein, Fairhope, Ala.,

Dear Lessee:

Ou treasurer is herewith refunding to you \$2.55 of the car tax paid by you to the County Tax Collector. Our records show you to have been a lessee for approximately seven of the twelve months covered by the tax. Next year the full amount of the tax will be entitled to credit.

Yours very truly,

Secretary.

May 11, 1937

Mr. Riw. E. Kluge 4728 Virginia Ave. Chicago, Ill.

Dear Sir:

I am in receipt of your letter of May 4th. We are always particularly glad to welcome Single Taxers to Fairhope and hope that you will come here.

I suggest that you see Mr. George Strachan whom you can contact at the City hall. He also is a Single Taxer, has been to Fairhope many times and should get back to Chacago in a few days from his most recent trip here.

I feel there is little opportunity
for you to find any one here desiring to
exchange improvements for land in Bay St.
Louis. I suggest you do as Mr. Strachan
is proposing to do, sell your holdings
elsewhere and come here. However, the expense of advertising would be small and
there would be no harm in giving it a trial.
The Fairhope Courier will quote rates to you.

I enclose under separate cover printed literature.

Very truly yours,

Secretary

CAG/mg

Chicago, May 4th 1937. Gentlemen, For want of a definite address I am writing you thus. Im Wom dealy of nashville Jenn. suggested that I might be able to trade my 20 acres of Bay Sto Louis property located in part in the City of Bay St. Lavis mississippi for improvements in your community. as I was interested in the Single Tax movement in by game years with my late friend Paul Kdealy who lived among you many years, I feel that as the line of my pension has come I multrather live among the Single Tay friends than elsewhere Hindly let me know the cost of meeting a snitable and in your paper: very truly Edw. E. Kluge 4728 Virginia ane Chicago Stamped self addressed envelope for reply is enclo-sed. 2. E. K.

March 17, 1954

Mr. Sheridan Klumpp 365 Michigan Ave., Mobile, Alabama

Dear Sir:

Your request for information concerning our Single Tax Colony addressed to my brother A. F. (Spider) Gaston was handed to me for reply.

Application for land and annual report for 1953. We believe you will find that these quite clearly explain our modus operandi.

Should you desire further information concerning any specific matter we will be pleased to hear from you. Should you be in Fairhope at any time you are cordially invited to call at our office.

Very truly yours,

Secretary

March 10, 1954
365 Michigan Avenue
Mobiles, Calabama

Dear Mr. Laston,

I am writting you concerning
the single tax colony of Fairhope.

Any information you will send mes
on this subject will be incerely
appreciated.

Thank you.

Perpectfully yours,

Sheidan Thumph

July 1, 1938

Mr. T. J. Klumpp Fairhope, Ala.

Dear Sir:

You will note from the enclosed statement of your rent account that there is a considerable amount past due rent for which we are obliged to make a penalty charge. It is my understanding that you have some tax receipts that have not been turned into this office for credit and I wish to inform you that the mere fact that the rent indebtedness can be paid off with tax receipts does not in any was relieve it from the charge of penalty.

I also wish to call to your attention that the rule providing for the acceptance of the town taxes in the payment of rent does not apply to the payment of penalty, penalty is, therefore, a cash obligation.

I hope this will be clear to you and that you will not delay further in attending to the payment of this account.

Very truly yours,

Secretary

CAG/mg ENC.

7/1.5/38.
Brought in that Receipts.
Rent faid to 12/31/38.

July 16, 1938.

Mr. T. J. Klumpp, Fairhope, Ala.,

Dear Sir :-

I enclose receipts for your rent in full on blk. 2, div. 1, to dec. 31, 1938.

The statement (pink slip) which you will find enclosed in for rent for the last half of the year on the lot which you recently acquired by transfer from I. L. Pound. This rent is now due and will become delinquent October first, after which date penalty will be charged if the account is unpaid. Tax receipts of 1937, applicable on this rent have already been credited.

Very truly yours.

Secretary.

Klunhh

July 10, 1954

Dear Lessee:

You will note on the enclosed statement that you have a delinquent rent charge on which we are charging penalty at the rate of 8% per annum. Our information is that you paid 1953 taxes to the collector in the amount of \$1,685.52. Delivery of this receipt to our office will entitle you to a rent credit of \$316.86.

Sincerely,

C.A. Gaston Secretary

Port 79

Apr. 26, 1950

Mr. G. J. Knapp 2607 Court St., Pueblo, Colorado

Dear Mr. Knapp:

I very much appreciate your letter of April 22 giving me the information concerning the charter election in Pmeblo. Congratulations on your success. I sincerely hope it will be possible for you to secure Pueblo's acceptance and application of the single tax. It is certainly too bad that not even one of our larger cities has put this principle into the measure of effect accomplished in Ausralia and New Zealand.

My father attended the Memphis Congress and it was no doubt he that you met. He passed away in 1937 and Emil Knips died only a few years past. I do not know about Mr. Raugh. I never met him nor do I have any recollection of having heard of him prior to receiving your letter. I f I do learn anything about him I will write you.

I hope you may be spared for many years and that you will see the measure of success there that Dad lived to see here. Fairhope is growing rapidly and the beneficent influence of our land and revenue policy becomes more apparent year by year. With every good wish, I am

Sincerely yours,

Secretary

G.J.Knapp 2607 Court St Pueblo, Colo. April 22, 1950.

Dear Mr. Gaston: To whiteless by a majority of the Desognation of the Dear Mr. Gaston:

I have yours of the 19th. Thanks. of sendings of central

I did not meet your Son at the Philadelphia congress, as I did not attend it. The last Single tax confab I attended was at memphis, along about 1931 or somewhere about those years.

A year ago I went back east to New York and stopped at Pittsburgh, Wilmington, Del., and St.Louis.

I think one of your family, a Gaston who for years elited the Fairhope Courrier, was at the Memphis conclave. Was it you, or your father? or your father ? because of the way they garbled it.

I wrote Emil Knips some months ago, but have had no reply.
This causes me to wonder whether Emil is still on deck, or whether perchance he has passed on to another world?

Sometime ago [ also wrote to Fred Rauh, who, the last time I heard from him, was living at Foley, Alabama. He is the man who madeasingle taxer of me away back in 1907. I never heard from him in reply to my letter. That makes me wonder whether he is still among the living. Can you advise me about Knips and Fred Rauh? I would like to know whether they are alive or dead.

You state that with the exception of Pisssburgh, no city in this country has ever given the S.T. principle recognition.

In 1913 I wrote single tax into the Pueblo city charter via the initiative and we carried the amendment by a majority of 2700 votes.

However, it was never made operative, for the reason that I was under the necessity of taking a job under the Wilson administration. The job took me away from Pueblo and I was gone from here for 14 or 15 years. As soon as I had left Pueblo, the opposition got the assessor to sabotage the assessment. The thing became a dead letter.

But Pueblo not only recognised the principle, but we actually had it written into our city charter. When I had to leave here, there was no one to see that it was enforced. Thats why Pueblo hasnt had singletax for the last 35 years. We have home rule in taxation in Colorado, for any city above 2000 in population. Pueblo has a population of 74,000 to 80,000 now.

We had a charter convention in session recently. It adjourned The charter convention failed to heed my request that it incorporate a single tax proviso in the proposed new charter.

Therefor, when the matter came before the people Tast Tuesday in a special election, I opposed the adoption of the new charter.

The proponents of the new charter spent upwards of \$5000. in an effort to secure its adoption. But we succeeded in DEFEATING it. althowe labored under every imagineable handicap. The voters (OVER)

REJECTED the proposed new charter by a majority of 700 votes.

So Pueblo continues to operate under our old charter, which, with the addition of a single tax amendment, will be as good, or better, than any charter in any city in the nation.

The majority by which we defeated the proposed new charter could have been larger, but anyway, we defeated it and won a victory. The fact that we won under every possible handicap, makes it a big victory.

We only had nickles where the enemy had dollars. And both newspapers were against us. They even garbled up our advertising, so as to confuse the voters. I am refusing to pay for the advertising because of the way they garbled it.

They didn't fail to resort to every foul device they could think of, in their efforts to put over their proposed charter. But we beat them, as stated, by a majority of 700, and they now have their tail between their legs and are trying to forget that they got a licking.

If Emil Knips and Fred Raun are still in circulation in your vicinity, give them my best wishes,

e duel bert bue scitt jucio en te since relynto . seivil ent goome .beek or evils er since relynt whether to would like to know he since relynt when to be seive since relynt with the seivil ent gooms .

You state that with the especient of Rissonry, as city in this country has ever given quantity or inciple recognition.

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But Pueblo not only recognised the principle, but we actually ned it written into our city cherter. When I nad to leave here there was no one to see that it was enforced. That's why Pueblo nesnt had singletex for the last 55 years. We have home rule in taxation in Colorado, for any city above 2000 in population. Pueblo ness a population of 75,000 to 30,000 now.

We had a charter convention in session recently. It adjourned to had a sequest that March 18th. The charter convention failed to head my request that it incorporate a single tax provise in the proposed new charter.

Therefor, when the matter came before the people I sat ruesarsy in a special election, I opposed the adoption of the new charter.

The proposedts of the new charter spent opwards of \$5000. in an effort to secure its adoption. But we succeeded in DEFEATING it. sltno we labored under every imagineable handicap. The voters (OVER)

Apr. 19, 1950

Mr. G. J. Knapp 2607 Court St., Pueblo, Colo.

Dear Mr. Knapp:

I have at hand your letter of Feb. 27 addressed to my son Paul Gaston whom I presume you met at the Philadelphia Congress he attended on his way to Swarthmore College, Swarthmore, Pa.

I believe I recall that you were active in a State referendum campaign some years past and it is a pleasure to learn you are still working to secure some measure of Henry George's "Common Sense" taxation for your City. Your poster certainly has some convincing examples of what may be accomplished in cities that secure their municipal revenue from land value taxation.

I have been interested in noting the popularity of land value taxation in Australia, New Zealand, South Africa, etc. and have deplored our tardiness in making the application in some of our American cities. Except for Pittsburgh with its partial plan no city in the USA has given the principle any recognition. That is not quite true for Fairhope is now classified as a city, its population having exceeded 2500. However the municipal government does not give the principle any consideration in levying municipal taxes and is barred by the state constitution and statutes from doing so. It is only on the lands of the Single Tax Corporation that the Single Tax is applied and while we own only one-fifth of the land approximately three-fourths of the used land in the city is our land.

I am enclosing a copy of our 1949 report I am sure you will find of interest. I wish we could be of assistance in your effort but cannot see any way of doing so. I have just seen a communication from Gilbert M. Tucker, President, Association For Economic Justice, 128 State St., Albany 7, N. Y. I gather that their primary aim is to secure adoption in some city such as now exists in those you use for illustration. If you have not contacted them I believe it might be well to do so.

It is Fairhope's ambition to furnish an example, but the limited resources here are a great handicap. With sincere appreciation of your continued effort and the great hope you may be successful, I am,

Very truly yours,

Secretary

Apr. 19, 1950

Mr. G. J. Knapp 2607 Court St., Pueblo, Colo.

Dear Mr. Knapp:

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It is Fairhope's ambition to furnish an example, but the limited resources here are a great handleap. With sincere appreciation of your continued effort and the great hope you may be successful, I am,

Very truly yours,

G.J. Knapp, 2607 Court St, Pueblo, Colo. Feb. 27, 1950.

Dear Mr. Gaston:

We have a charter convention in session in Pueblo. I took an active part in the election of the 21 delegates to the convention, and succeeded in getting a bunch of our friends elected. Also, I spent weeks educating the delegates in tax matters and in land value taxation.

We believe that at least a majority of the delegates are favorable. There are a couple of dangerous reactionaries in the convention, but unless these few reactionaries overawe our friends, I think chances are good for getting municipal single tax in Pueblo via the charter convention. Last Friday I filed with the secretary of the convention a draft of a municipal single tax proviso. If it is inserted in the new charter, Pueblo will raise all its general city revenue from land values.

Have just had 15,000 circulars printed like the inclosed. These are intended to "build a fire" under the convention, by arousing the latent sentiment for tax reform. Distribution of these circulars will start in a few days. Your comments on the circular will be welcome.

Also, if you are in a position to give us any assistance, be it much or little, that too will be welcome. We wish to leave nothing undere to get what we want and will do all we can with the resources at our command.

Sincerely,

G.J.Knapp

### THE PITTSBURGH PLAN

This COMMON SENSE tax system will reduce the taxes of every Home-owner and legitimate business man in Pueblo, and it will compel Speculators

and absentee owners to pay their fair share, which they are NOT doing now.

Pueblo Homeowners are paying from Two-thirds to Seven-ninths of their taxes on their Improvements, while the big ABSENTEE rent collectors are paying only one-fifth or less on theirs.

Pittsburgh, Penn., has for the last 20 years or more, been gradually putting into operation the municipal tax system which has made Johannesburg, Sydney, Aust., and these other cities GREAT.

In Pittsburgh it is known as "The Pittsburgh Graded Tax Law." The great steel city of the east has, for two decades, been exempting 50 per cent of improvement values from taxation and it is planning to make the exemption 100

per cent in the not far distant future. Even with only this 50 per cent exemption, Pittsburgh is growing by leaps and bounds. They are tearing down 20 story buildings, to erect 40 story buildings in their place. Pueblo can do the story buildings, to erect to story same. Why not do it?

Pittsburgh gets all the revenue it wants with a tax levy of only 25 mills on land values and only 12 and a half on improvements. Here is an actual example of the difference it makes to the homeowners, for instance:

Difficulty a house and lot assessed at \$5500.00, with 50 per cent of

In Pittsburgh a house and lot assessed at \$5500.00, with 50 per cent of improvement value exempt, pays a total city tax of only \$75.00 Under Pueblo's absured, antideluvian tax system, a house and lot assessed at the same figure—\$5500.00—pays a city tax of \$198.55 THATS SOME DIFFERENCE, ISN'T IT?

UNLESS IT GIVES PUEBLO THIS COMMON SENSE TAX SYSTEM, THE CHARTER CONVEN-TION WILL HAVE BEEN A WASTE OF TIME AND MONEY, AND THE NEW CHARTER WILL BE OF LITTLE VALUE. DEMAND THAT THE CHARTER CONVENTION GIVE US THIS COMMON SENSE TAX SYSTEM!!!

### WHAT THIS COMMON SENSE TAX SYSTEM HAS DONE FOR OTHER CITIES:

Sydney, Australia, has become the second largest city in the British Empire since it adopted this COMMON SENSE tax system. Sydney is now second in size only to London, England. Here is what Roy Hendry, city clerk of Sidney, writes:-

SYDNEY, Australia, Population 1,235,367—"Land value taxation, and no tax on improvements or personal property, has been in effect in Sydney since

1916.
"It has reduced the tax on residences, and increased the tax on unussed and centrally-located land.

"This has given general satisfaction, and there is no agitation whatever for king improvements, machinery or merchandise. It has brought idle land taxing improvements, machinery or merchandise. It has brought idle land into use, improved housing, and old buildings have been replaced by new build-

ings.
"It has encouraged more houses, but no congestion. Slum areas have been

largely taken over for factories.

"Notwithstanding the municipal revenue is entirely from land value, land tends to increase in value: having increased during the past 22 years from \$155,000,000 to \$235,000,000—51%.

"Yes, this system has come to stay."

STATE OF VICTORIA, Australia.

Frank A. Henry, American Consul, referring to 14 municipalities in the State, reports: "There is no tax on improvements, machinery or merchandise. This system has been in operation since 1911. There is no agitation for taxing buildings or personalty.

"The incidence is to bring idle land into use. Believed to be more buildings per acre. It tends to increase land value.

BRISBANE, Queensland, Australia. Population 318,430. (The same size as Jersey City, N. J.)

The City Assessor's Department reports:

"There has been no tax on improvements, machinery or merchandise in Brisbane for the past 38 years. It caused no business disturbance when suddenly enacted, and has given general satisfaction.

"There is no agitation whatever for taxing buildings or personal property. "It has brought idle land into use, with fewer houses to acre. We have no slum areas. It has been advantageous to housholders, industry

and the public welfare.

"Land tends to increase in value. Yes, it has come to stay."
(Brisbane, with the same population as Jersey City, N. J., increased in population 25% in 10 years, while Jersey City, N.J., increased only 6% in the same period.)

WELLINGTON, New Zealand (Capital city). Population 116,000. E. P. Norman, Town Clerk, writes:

"There has been no tax on improvements, machinery or merchandise in Wellington since 1928.

"It did not cause any business disturbance when suddenly enacted. There

is no agitation for taxing buildings or personalty.

"We have no slums such as there are in English and American cities. Land value increased before the depression. This tax system is not likely to be chang-

He adds "There is no difficulty in getting revenue by this system.

PORT ADELAIDE CITY, Australia. Population 29,892.

E. Bracheld, Town Clerk, writes:

E. Bracheld, Town Clerk, writes:

"There has been no tax on improvements or personal property in this city during the past 28 years. It was adopted by referendum.

"It did not cause any business disturbance when suddenly enacted. Has given general satisfaction, and there is no agitation for taxing buildings or personalty. Has brought idle land into use, and has not created congested housing.

"There are no slum areas. It has been advantageous to householders and

WARRINGAHSHIRE, a farming district in New South Wales, Australia. R. G. Jamieson, Shire Clerk, writes:

"There has been no tax on improvements, machinery or merchandise in this shire for the past 31 years. It has given general satisfaction ...

"There is not the slightest agitation for taxing buildings.

"It is recognized as the most equitable form of taxation. It encourages

improvements.

"It has brought idle land into use, and improved housing. There are no slums. Has not created congestion. Prior to the depression there was considerable land speculation.

"Yes, it has come to stay."

NAPIER, New Zealand. F. R. Watters, Town Clerk, writes:

"There has been no tax on improvements, machinery or merchandise in Napier for the past 23 years. It has given general satisfaction. No agitation for taxing buildings or personalty.

"It has brought idle land into use, improved housing, and reduced slums. There is very little slum area.

"Land tends to increase slightly in value. Has it come to stay? Yes, definitely."

WITBANK, Transaal. British South Africa. Population 11,000. J. J. Turnbull, Town Clerk, writs:

"There is no tax on improvements, or on machinery or merchandise. This system has been in force for the past ten years, with the exception of one year (1929) when improvements were taxed. The one year exception did no end of harm to the Town, in that we lost a large industrial concern which was about to be established here.

"The business men welcomed site value taxation and it has given general satisfaction, and there has been no agitation for taxing buildings.

"The system has tended to bring idle land into use for the reason that a man pays the same tax for a vacant piece of ground as he does for a similar site with valuable rent-producing buildings thereon. Generally, better buildings are erected now than prior to the introduction of the system. We definitely have no slums.

"It is a boon to industry, as improvements and development are free from taxation. The public as a whole are in favor of the system. It has come to stay.

"Because of no tax on improvements, assessing difficulties do not arise, and it is seldom that we have an objection to the land assessment. Improvement values are more than four times the land value."

### Pueblo's Progress?

Our archaic and goofy tax system retards Pueblo's progress. It is contrary to common sense. So consider the following facts:

(1) A man gets drunk; is arrested and the Police Judge punishes him with a fine of \$25 to \$50, in the hope that he "won't get drunk again."

(2) A man improves his property—paints his house perhaps—or builds an addition to it and immediately our CITY TAX SYSTEM punishes him with a "fine" (a tax increase) of from \$25 to \$150.00 because HE IMPROVED THE COMMUNITY.

(3) Or, a man may build a nice house and make a beauty spot out of what was previously an unsightly vacant lot. In making this improvement he buys material and helps all lines of business; he hires labor and pays wages to workmen who need jobs. WHAT HAPPENS? The CITY TAX SYSTEM immediately punishes him with an annual INCREASED TAX (a fine) of anywhere from \$100.00 to \$500.00 because he IMPROVED the town. YET, WE CLAIM WE

WANT PEOPLE TO IMPROVE OUR CITY. In other words, we treat the man who improves Pueblo, the same way we treat the Drunk-only more so.

Here is an actual recent case—Clint Brown, 312 Polk St., Pueblo, had his modest 5 room house painted two years ago. Immediately his CITY TAX went up \$18.00 a year because he got his house painted.

A DRUNK is fined once by the Police Judge, but Mr. Brown has to pay his fine" every year as long as the paint stays on his house. WHAT A WAY TO TREAT A MAN FOR IMPROVING THE CITY!!! It's nothing short of idiotic,

IT IS UP TO THE CHARTER CONVENTION TO GIVE PUEBLO A COMMON SENSE TAX SYSTEM! AND UNLESS IT DOES, THE CHARTER IT DRAFTS WILL NOT BE WORTH RATIFICATION BY THE VOTERS.

### PUEBLO COMMITTEE FOR COMMON SENSE TAXATION

Dr. H. L. Terry

Susan Finnegan

G. J. Knapp

D. A. Highberger

Jennie Kingery

Ferd Klein

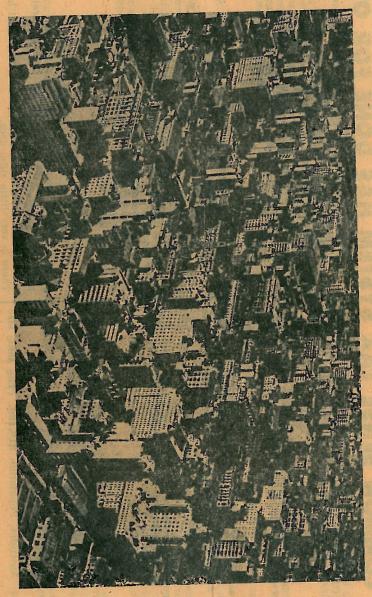
Don Simmons

M. Flanders

# PEOPLE F PUEBLO .

ZOTE THEM, THE MAGNIFICENT 600D II TZ POOK STREETS, BUILDINGS AT II. PLAZAS, PICTURE AND THE NUMBER ETC., BELOW ;-

hen To Have Pueblo Look Like This?" Ask Yourselves-"Would You



Courtesy African Assoc. Newspapers.

JOHANNESBURG FROM THE AIR

THE RISE OF JOHANNESBURG—Only 60 years ago the site of Johannesburg, South Africa, was an African Veldt with nothing but Zulu and Basuto tribesmen and a few white settlers on it. Today, it is a city of 343,000 people and the most prosperous spot on the entire continent of Africa. HOW WAS ACCOMPLISHED? Easy!!! Johannesburg just put some COM MON SENSE into its tax system. Read the report of the American Consul General selow, and reflect that Pueblo can get the same results by putting some COMMON SENSE into ITS Tax System.

Johannesburg (population slightly more than Jersey City, and somewhat less than Newark) where buildings, and beautification of the city, are encouraged by an improved taxing system.

H. Earle Russell, American Consul General at Johannesburg, reports:—
"Most municipalities in the Transvaal, tax land values only.
"City authorities and the people believe the land value tax is fairer than taxing both land and improvements. There is no tax on machinery or merchandise.

"This system has been in effect in Johannesburg since 1919. It did not cause any business disturbance when suddenly enacted and it has given general satisfaction.

"Apparently there is no agitation for taxing buildings of any kind. There is ample land for expansion. It undoubtedly has helped to replace old buildings with new ones in the more central locations. LAND TENDS TO INCREASE WITH NALUE and this system has come to stay in Johannesburg."

NO TAX AND COMMERCE LAND, LABOR, MATERIALS AND CAPITAL. ON IMPROVEMENTS-ENCOURAGES BUILDING, ATTRACTS POPULATION, INDUSTRY INCREASES DEMAND FOR

# 

... now is session, has power to give Pueblo a COMMON SENSE municipal tax system—a tax system that will give Pueblo a chance to look like the above photo of Johannesburg, a tax system which will result in supplanting the

May 14, 1940.

Mr. Emil Knips, Fairhope, Ala.,

Dear Member:

At its meeting of May 8, the Executive Council voted to appoint you and our fellow member, Mr. J. Francis Lemon as a committee to make recommendations of a list of current publications extolling our philosophy, which should be on the reading table of our Public Library.

This action was taken with a view to entering subscriptions for some or all of the publications recommended. We shall appreciate having a report from you at your earliest convenience.

Very truly yours,

Secretary.



### STATE BANK OF LISMORE

CAPITAL STOCK AND SURPLUS \$30,000.00

A.J. RICE, PRESIDENT.
L.A.LOOSBROCK, CASHIER
R. R. SELL, ASST. CASHIER

LISMORE, MINN. July 3 rd 1929 triend Mrs & B gaston - mother of Bingle Taxoris greetings and regards to you and family. I papers assigned to me on the Erick Brown property on Fels "ave opposit N.D. Burnhams, for you to please Keep in Mrs gaston's Bafe for me - having it there in case property is sold it can be transferred handily, I credited the 1919 int as mow in case A should pass-out, "Kier the buentet", (die) then 1/2 of this value in the loan shall go to Mr + Mrs George Bancroft of your lown - Bingle Tax" friends - and the balance go to N. D. Burnham for him to use as his four gift from a fellow Freethinker. Cordigally yours Emil Knips Lismore Minn

Sept. 20, 1939.

Miss Bell H. Knott, 1056 Dauphin Way, Mobile, Als.,

Dear Miss Knott:-

I regret that it was necessary to delay answering your letter of the 2nd for so long a time but at its arrival I was occupied with detailed work that it was hard to law aside.

The less form now in use is for 90 years as was the one which was issued to your brother and I can see no advantage to you in keeping the lease which was issued to him and there might be disadvantages should you or your beirs desire to make transfer of the property. I presume your brother had had his lease recorded and was considering the expense of an additional recording. I do not consider that it is at all necessary to record the lease nor is it done in most cases.

I presume your brother left a will and you can establish your right to the transfer of the property into your names through a transcript of the courtrecord. However, if this is not the case, I believe that this Corporation would accept an affidavit from you and your sister affirming that you are the sole surviving heirs of J. P. Knott, that you are the only lawful coners of the leasehold rights held by him under the lease and the Corporation would grant a raquest from you to be permitted to surrender the old lease and have issued in lieu thereof a joint-tenant or common-tenant lease to you and your sister.

The joint-tenant lease would provide that all rights go to the survivor upon the death of either of you while the common-tenant lease would require due process to convey the rights of the deceased to the survivor. If presented with necessary instruments for transfer the Corporation's charge would be only the customary transfer fee of one dollar. If I can be of further service in this matter please write.

Sincerely yours,

Mobile, Sep. 2, 1939. Mr. C. a. Gasion, I Fairhope, ala. Dear Mr. Lasion; -I am writing to ask your help in a flit - lle matter of business in Connection with our Fourhope Cottage. as you know, low lease io lin ou tro Theis name J. P. Twoll, and has merer been changea. He spoke galanging it several times, bill-was told that a ranster of the lease might-Cause a change in the lengthy time, and as

90

re have always had ours was for 49 ms. we such file as apri-rela have and nothing a uns with the Colony, and bout it. In setting up my love Fairhofee-and resisteis estale, me la ave gret that our Rum mees been advised to make Can not be spent the change-futting if there nov-Respectfully, Bell H. Hwall, in the names of Willie Fnott and Bell H. Houth. I am asking you of you think this is the thing to do, and will the time of the lease have to be Changed. What is the right-t Thing to do about list, and wha! would be the expense connected with I we make any change, me muld rallier do it as the colony thinks test, cond fray them the cost.

Mrbile, Oct. 9 Th 936, C. a. Gaston, DearSir: In reply It your note of Oct, Tet, I am glad to know Iwhen I may Gray taxes etc. Will you, please, sold me my tax bill for State and Country. I shall play That and rent of 65.43 the, will Tray it all attonce. Last year, et var infrassible for me to attend to, lit, but I shall be glad if you will dod f The same value, We have not#210,00 worth of. filesonal property in Farehope, me hay ochool tay in Mobile. I have not the berst assessment, it was made for my Brother, Heuse

Attend to this, and great-ly volige, Signe Knott. 1056 Daughhin Way, Mobile, ala,

Mobele, Nov. 16th, 37 Mr. C.a. Gaston Sear Dir:venled my mriling sooner. In regard to the lay assessinent your Fairhope Ada Wes would be glad of you would act as our agent, I wrote you as to the value of the place, but thersonal I roperly has changed, Since we do not go

be exempt in prisonal over in summer, we have moved, much projectly. Then we have shard, this mouth of the furnishings achoul Tay in this over here, That an The house mon would county.

not sell for twenty My present total tax is

five dollars, Carpells

are of no value, now. \$17.01. are of no value, now. Hoping I am not too In fact, there is in tale, and thanking reality only Three small iron beds, one Inverely, wooden bed, a side board for which we L. Knott præid five dollars 1056 Dauphin, second hand several Tables of no value ele. mobile. We Estainly should

mobile Dec. 8th C. E. Falon I en close the kapers you ask for, Please take a copy and roturn mine, as they are all I have! also, pleaso, have these amounts dedneled from my rent ihr lan Smarely, Elizabeth Toroll 105 Dauphin Mobile, ala,

Pl. J. Lessee Dec. 42, 1938.

Miss bizzie Knott, 1056 Dauphin \*ay, Mobile, Ala.,

Dear Miss Knott:-

I note that your rent for 1938 is paid in full and I am therefore authorized to make offer to pay your 1938 taxes for you if you will send the bills in to this office so payment can be made before the end of the month.

If payment has already been made by you will appreciate having the receipts turned in before the end of the month so they can appear on this year's business.

Very touly yours,

Secretary.

Jan. 23, 1940.

Miss Bell H. Knott, 1056 Duphin Way, Mobile, Ala.,

Dear Miss Knott:

I hope you will forgive my delay in answering your letter of the 16th. I did not receive the receipts from the Town office until yesterday and did not have all the information you desired.

I enclose our treasurer's receipt for your payment of rent and he has written thereon a record of the receipts for the 1939 taxes. This will give you the same information you have previously had for your files with the exception of a cancelled check and I hope it will be adequate for your needs. If it isn't I will get duplicate receipts for you.

With regard to the rent increase this was due to the action of the executive council of Dec. 7, 1939, fixing the rents for 1940. I intended to enclose with your 1940 rent statement a copy of this action but younmay have failed to understand it or I may have neglected to send it so am doing so now.

The action which increased your rent was that concerning corner charges which I have underscored. The dropping of the corner influence charge in 1935 had resulted in the charges on some corner lots being no higher than inside lets while on others the difference between the corner lot and the lot adjoining was inequitably great. The restoration of a corner charge is more equitable we believe, the lot on the corner and the adjoining one bearing their relative share. Your lot for 1940 is \$64.21 and that of Mrs. Lacey \$67.42.

We appreciate your coming to us with your questions and shall always be glad to give such explanation as we can.

Very truly yours,

Mobile, Jan. 16, 1940. Sr. C. a. Faston, Fairhofre, ala. Dear Vii: - If you re . member, when I let you Juay my laxes, both State & Co., and form, you framsed to send me duplicale-receifels for them to be filed with my receipt for Colony lease. I have never receive a anything to show that thesel have been fraid. Please sená there to me, and I will be glad to fray the

rent at me. I notice the bill this year is \$32.11and for the same time las! year it was \$30.99 Why the difference? Please let-me hear from you at your very earliest-Convenience am corry to have to trouble you. Respectielly, Miss Bell H. Trolls 1056 Saughin Way mobile, ala,

Mobile, Jan. 22, 1940 Mr. E. C. Wolcoll, Fairhope, ala. Dear Sir: - Enclose a find Check for \$32.11, our rent for first-halfy the year. as you know, we have feen in the habit of fraying om taxes and deduct ing the amount from the first half of the rent. Mr Gasiar wrote and asked us to let the Colony Fray on taxes, eaging to would help thethe in making their encome

hay. He firmised to send me receipts for there to be the rent. He has not sent them, so I have, nothing to show that they have been fraid. Will you filease, when yn send ynn receifel make a note y lleere fragments on your receipt. Meshe Sully, Miss 1 Bell 78. Knott.

Mobile, Jan. 24, 1940. Mr. C. a. Gaston, Fraishope, ala. Dear Mr. Gaston: I-am very sorry to have to trouble you again, but your letter aid not contain the receipt for my rew. There was a small learlet on the Single Tax Colony, and a praper in fixing the 1940 rents. but nothing else. I ken outhis was just an over sight, but thought

it-best to-lei-you know at once. Thank you very much for your kindness in answering my gues wishing for you and the colony of brightand friospervib new year-Diso Bell H. Knott.

ME Dec. 6, 1939. Miss Bell H. Knott. 1056 Dauphin St., Mobile, Ala., Dear Miss Knott: I note that you have already paid the County tax of \$16.07 and we will be glad to refund this payment to you if you will mail us the receipt of the Tax Collector. Your Town of Fairhope tax of \$7.65 will be due this month and we will arrange to pay it, if agreeable to you. These taxes are chargeable to this year's rent collections and we would like to pay them before the end of the year to reduce our liability to income tax. Very truly yours, Secretary.

Mobile, OCL- 6, 1939. Mr. C. a. Yasin, Frankope, ala, Dear Mr. Gaston-Sonot-apologize for your delay in austribe ling my letter. I can fully under b'and that your hands are very full My brother, John P. Knott left-a will giving everything to his three sisters. The lease to the Fan hope furplerity was not-trains ferred for recorded be. Cause he did not think it was really necessa

be the best? We would so Then not to avoid exgladly fray any expense corne cled with the Change My Risier Villie and I are Ne love Fairhofie, and have always had such pleasant now the only heirs. I have relations with the Colone fut a nephew Richard F. Thrott we are just simuated sollsat & Ottawa, Ill. He has given we can not spend our sum any claim he might have mero there now. We would hate had in my secteds estate to sell, but is we do. I can as sure you it will be only to to willie and me. In the transfer the Fairhope propa tenant in harmolies with, and a greeable to the eving was omitted. If the Colony. Thank you, for your Colony would accept an kuld Her passes andee-Respectfully Miss; Belle H. Knoth affidavet from us with Richard's release attached This would be such an. easy way to settle affairs. P.S. I had just timshed my letter when the Carrier brought Duit you think is he make any change the in yours in reference hot finel= tenant le de would

the taxes. I did not benow you would make the as becoment for my- Do have written to mr. Smith at Bay Minette to assess it and send me the lax bills. I know that Sister always fraid the taxes direct-los me. & mitte, and carefully kept all receipts. Thank you very much for your offer-will benow what to do next year -Respectfully Bell 76, Knott. the lease at present, but want-ed of know what to do when it be came necessary.

mobile, Oct. 16th, 1936. Mr. C. Saston. Dear Jur: I have filled blanks Our house is only a summer Cathage. When we moved over, Some almost all fur nishings were brought home I find among my Brother Johns/ frakers wo old assessments which I send you, no others were Lord, Shave all the peafelt and the lease, I thank you for attending to this. Illient has prevended my going over, Gineerely, 1006 Dauphin Die Kreatt, mobile, ala.

May 10, 1946

Mr. Charkes B. M. Knowles 16 Prospect St., Brookline, Mass.

Dear Mr. Knowles:

We are pleased to learn of your interest in the Henry George philosophy and pleased to have you direct your attention to Fairhope. Although a demonstration, under existing laws cannot but fall far short of what might be hoped for otherwise, certainly, we believe, Fairhope has been of great service to all who have had the opportunity to live under the more favorable conditions we have been able to put in effect.

An even better result could surely have been achieved had it been possible for us to have started on land more blessed by nature and nearer the then margin of cultivation. However such lands even then were priced beyond our modest means. The poverty of Fairhope's founders forced them to select land that was in reality well outside the margin of cultivation. This meant that there was no immediate demand for all of the small area they were able to purchase in the early years.

Now, however, due to the growth in population and the unnatureal conditions that hold sway elsewhere our lands are sought at a papidly increasing rate and holders are finding it profitable to increase the productive capicity of their holdings. It appears assured that Fairhope's value as a demonstration will become more apparent in the next few years.

Enclosed and under separate cover I am sending you material I feel sure you will find of interest. In all probability a study of this will lead to additional questions and I assure you it will be my pleasure to hear from you and to furnish you with such further specific information as you may desire.

Very truly yours,

Secretary

16 Prospect It Brookline, mass may 5, 1946 Fairhope Single Tax Corporation Fairhope Alabama. Gentlemen: I am very much interested in the Philosofhy of Henry George and have tought classes in Fundamental Economics using Progress and Poverty as a text book. Would it be possible for you to send me a browner of the latest development of the copy of your local peaker. Also any literature telling me of the latest developments are progress of colony. Any expense occured I will gladly reinture you for by send you a check. Hoping to hear from you at an early date I am sincerely your Charles BM trowles

Milton T. Kojis 3714-A E. Van Norman Avenue Cudahy, Wisconsin

December 22, 1952

Fairhope Single Tax Corporation President: C.A. Gaston Fairhope, Alabama

Dear Dr. C.A. Gaston:

This is a request for information about the Single Tax Corporation. My instructor of economics is very interested in Henry George and how well his ideas have been adapted to a town of Fairhope's size.

I took it upon myself to request the following form of information from you. I would like copies of the annual report you have printed each year and the small booklet containing the constitution of the Fairhope Single Tax Corporation. Please send along any other material which you think would be helpful.

I want to thank you very much for your trouble and hope that the material asked for is available.

Very truly yours,

Milton T. Kajis

Mr. Erick Kraemer Washington, D. C.

Dear Sir:

Other pressing obligations prevented me from getting up the data desired by you earlier. My records are incomplete but I believe the following figures are approximately correct.

I find that of the present lessess inside the town numbering 283, one holds such relationship since 1901, one since 1903, 6, 1904, 5 1905, 6 1907, 5 1908, 5 1909, 4 1910, 5 1911, 2 1912, 2 1913, 4 1914, 6 1915, 4 1916, 8 1917, 5 1918, 12 1919, 13 1920, 17 1921, 16 1922, 13 1923, 9 1924, 22 1925, 26 1926, 16 1927, 3 1928, 9 1929,4 1930, 10 1931, 4 1932, 5 1933, 12 1934, 14 1935, 9 1936.

Of 57 in the country the following numbers have been lessees since 1910. 1 1910, 2 1911, 3 1912, 3 1913, 4 1914, 1 1915, 2 1917, 6 1919, 1 1922, 3 1923, 1 1924, 4 1925, 2 1926, 2 1927, 2 1928, 3 1930, 2 1931, 2 1932, 7 1933, 4 1934, 3 1936.

Not all of these lessees are at present resident on their leasehold nor have all of them been continuously in possession of leases from our corporation. Some exchanged properties many times, some have been away and returned while others have been in possession of the same piece of property or a part thereof during all the time that they have been lessees. You will note that the earliest year given is 1901 and that is, as far as the records I have been able to find go. My father's lease on his business site dates back to the first division lands after the founding of the colony. There are several others which date back to the last years of the past century.

In going over the names on the lessees roll of lessees I find that 235 came to this section from northern states, principally middle western. 85 are from southern states mostly Alabama and 44 were either born or reared in Fairhope. I have not counted the foreigh born but do not believe they constitute more than 12 or 15. By far the greatest number are native Americans whose ancestry arrived on this hemisphere during colonial days.

In fixing the rent on lots within the community the main consideration is site value since these lots are not utilized

in the production of wealth from soil. In the business district every consideration is given to the main lines of travel and the corner lot that the greatest number of people ( prospective customers) pass is rated as the most valuable lot and given a rating of 100. The relative value of all other lots is then considered and their rates fixed accordingly. In the same way the most valuable residential lot in the various residential sections is selected and a rating given it which may be 55 or 35 or in a poorer section 20 and the rating on the other lots fixed by considering their relative values. All business lots in the town having been rated, the amount of rent is fixed on the lot with a rating of 100. We will assume that this lot has a depth of 100 feet and that the rent thereon is fixed at \$2.55 per front foot then the total rent on the lot will be \$2.55 times the number of front feet. The rent then for every lot of 100 foot depth in the town will be the rate of that lot times \$2.55 times the number of front feet in the lot. We use curves in determining the value of a front foot of a lot whose depth is more or less than 100 feet.

In arriving at a fair rental value for country lands, site is also an improtant factor and highly productive land may be deprived of a considerable amount of its natural value and its inaccessibility. Therefore the first consideration in the fixing of rent on country lands is that of site, the distance from same to marked or to shipping center, the character of the roads and the availability, services such as school busses mural delivery routes and electric utilities. This having been done and the acre rates having been fixed for each parcel of land consideration is next given to topographical aspects. The number of acres involved in topographical defect is determined and the rate on such acres is reduced by 1/3 or 2/3 in accordance with the degree of defect. Consideration is also given to the quality of the soil and the less productive soils are allowed reductions in accordance with their deficiencies in productive quality.

I hope I have satisfactorly covered your questions and that your study of Fairhope will be of some benefit to your department.

Very truly yours,

Secretary

(1) Ength of time present lessees have been our their projections Corporation land ( le outpide tous Regimel origin of lessees (3) defermination of rents ( ) in form limits. By outside Horse lewits Erich Kralmer Louis Research Seeting. Rural Resettlement Division Resettlement administry Washington D.C.

May 13, 1940.

Mr. H. F. Kruger, Greenville, Mich, R 1,

Dear Sir:

I regret to inform you that at the present time our lands on main highways are all under lease. There may be some developed leaseholds that can be secured by purchasing the improvements from present owners since this is always a possibility. I do not know of any such at the present time but every year we are called on to pass on many such transfers.

If you are considering locating in this section or making any change I would certaily advise that you make a personal investigation first and I would like to invite you to come to Fairhope and see what can be acquired here either on our lands or on other lands in this section.

The rent on agricultural lands owned by us ranges between 85g and \$2.75 per acre per annum which includes all advalorem taxes on the land and the improvements and personal property of the lessee. Unleased and unimproved land is available to applicants who are acceptable and who deposit six months rent with their applications.

I enclose some literature including the leaseforms used by the corporation and shall be glad to answer any further enquiries you may care to make.

Very truly yours,

Secretary.

Greenville Mich. R.1. May 2 nd '40 The Fairhope Single Tax Coop. Fairhope, Ala. Dear Sira-An witting in regards to the Single Tax Colony. Do you have any land along a main highway? (good farm land) that would be available this coming fall-or nov. also would you please send no literature regarding the colony. Prices ete - Respectfully H. F. Kruger

BOS-5 Nov. 17, 1938 Mr. Henry F. Knuger Route L Greenville, Mich Dear Sir: The Fairhope Single Tax Corporation has farm land that they lease at an annual rental varying from 85¢ to \$2.75 per acre. These rents do not remain fixed but may increase or decrease with the changing values due to social and economic advantages and disadvantages. The leases are for 99 years and there is no limit placed on the amount of land any lessee may take. The Corporation's available land is, however limited though there are often opportunities to buy improved leaseholds at a price relative to the replacement value o f the improvements. I do not feel competent to say how much land you would require or how much capital you would need. It would be best if you could make visit here before cowing to a defifite decision. Under separate cover I am sending you literature and forms explanatory of our plan. Very truly yours, CAG: mg

Q.1. Greenville, Mich. nov. 12-1938 e Chamber of Commerce Dear Sirs. all. in regards to a colony at farmers around friends who go to Fairhof every winter and they of farmers there w lease a piece of land 99 yro - now what to know is - how muc money would I have to have to start farming there o

farmer all my life. would like to shove we my family to Fair Thank one daughter 17 ym old will you pe me all you can regarding your colony - and how much land Devuld to also about schools ights water the. Henry F.

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## August 29, 1947

Mrs. R. G. Kuntzendorf 2707 W. Agatite Avenue Chicago 25, Illinois

Dear Mrs. Kuntzendorf:

Enclosed you will find a copy of a letter from the Clerk of the Baldwin County Circuit Court with reference to the settlement of the People's Railroad.

Although my father, E. B. Gaston, had thought there might be funds to be divided among the stockholders, it turned out that all such funds were exhausted by claimants. Mr. Rickarby, the attorney in the case, tells me that there were actually insufficient funds to meet the various claims.

I am sorry for the delay in advising you about this matter but I had misplaced your address, and only came upon it again by chance a few days ago.

Very truly yours,

Secretary



Alice J. Duck
Register and Clerk of The Circuit Court
Baldwin County
Bay Minette, Ala.
June 30, 1947

Mr. C. A. Gaston Fairhope, Ala.

Dear Sir:

This will acknowledge receipt of your letter of June 27, and in reply I will say that neither the file nor docket sheet show what disposition was made of the case of the Peoples R. R. of Fairhope. However, the attorney in the case, Mr. Rickarby, says there were no funds to liquidate. If you would contact him, perhaps he could explain the case to you better.

Respectfully yours, (Signed) Alice J. Duck Register



Fairhofe ala 12-1 Dras. 26 41986 Dr. & Gaston Dear Dir Committe + the called on you to ful our 25 acrès on sale unknown to me till after + wards it off before you have further work with it-Frances to see you about a year ago, when Ehr Kour was in better health to do business; but nothing was done, Hours July