THE JOKE ABOUT HOUSING

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PREFACE

IN THE summer of 1917, when the housing problem had attained nation-wide prominence in the United States, and when rumblings of the oncoming disaster, in the shape of an acute shortage of houses in the United States, were plainly audible, The Journal of the American Institute of Architects and the Ladies Home Journal joined in holding a competition for "The Best Solution of the Housing Problem." The terms of the competition were unique and provided for the submission of two written theses, one upon the social purpose which any solution should seek to accomplish, and the other upon the economic method by which such a solution could be accomplished. In addition to these requirements there was a third, which embraced a simple drawing of the physical plan that should illustrate the application of the principles set forth in the two theses.

The competition was open to all citizens of the United States and Canada, and the

jury was as follows: Thomas R. Kimball, President of the American Institute of Architects, Chairman, Omaha; Louis F. Post, Assistant Secretary, Department of Labor, Washington; Thomas Adams, Town Planning Adviser, Commission on Conservation, Ottawa, Canada; Herbert Quick, Farm Loan Board, Washington; Lawson Purdy, Chairman Committee on New Industrial Towns, New York; James Sullivan, Representative of the American Federation of Labor on the Council of National Defense, Washington;* Edith Elmer Wood, Writer on and Student of Housing Problems, Philadelphia; Frederick L. Ackerman, Architect, New York; Milton B. Medary, Jr., Architect, Philadelphia.

Due to the arduous task imposed upon the jury, which involved the reading of all the manuscripts submitted (about forty), the award of the prizes was not made until May 1919. The first prize was $1,000, but due to the fact that neither of the two winning theses was supplemented by drawings which the jury considered to be adequate, no first prize was awarded. Instead, the jury awarded two second prizes of $500 each, one

* Mr. Sullivan did not participate in the award, owing to absence in Europe.

to Robert Anderson Pope and one to Milo Hastings, both of New York City. But this award should not in any way militate against the quality of the winning theses. Each embodied a fundamental plan around which qualified experts can construct a physical community. Both of the winning theses are published as an appendix to this volume, which is itself an effort to clear up the basic questions involved in the housing problem and to put an end, insofar as possible, to so much hasty and loose thinking on so vital a subject.

The author asks the indulgence of his readers in the use of certain figures and statistics previously published in "The Housing Problem in War and in Peace"; they seem too forceful and pertinent to be omitted.

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I

WHY DO WE HAVE HOUSES?

IF WE ask why we have houses and answer by saying that they are for humans to live in, we seem to have stated a very familiar condition which required neither question nor answer. But what do we mean by "live"? That is the real question and one not to be either easily or lightly answered. Existence is one thing, living is another. Existence implies an indefinite state of merely being and keeping alive. Living implies growth, and a house is therefore something in which people not only live, but in which they should have a fair chance to grow.

How to grow? Just taller and larger, as children grow? Or do we mean that they are to grow finer, more intelligent, more loyal to principle, more fearless in the pursuit of justice and fairness? Unfortunately

we have not meant that when we have discussed the lives of a great many hundreds of thousands of workers in the United States. We have been interested quite wholly in their houses as a kind of machine which added to their physical ability to perform labor under conditions often menial, often degrading, often perilous, and too frequently bearing diseases that sometimes cripple, and sometimes kill.

But what of the House? What kind of a structure is it to be? How shall it be built and arranged so that the progress of life growth may proceed without being choked and starved by lack of air and sun, by conditions of crowding which are not only physically unhealthy but which, through lack of privacy, compel a living condition amounting to indecency in the human relation. How shall we provide houses where there will be no insanitary rooms, no dark stairways, dirty courts, filthy back yards and even streets; and more than that where life shall actually be encouraged and stimulated to grow and be influenced by the sense of something that physical possession alone cannot give.

We do not want houses to be handed out by any paternalistic agency, in order that we

may collect a certain number of humans and arrange them neatly in these rows of dwellings, in the full belief that they ought to stay put and be content, because we ourselves have become contented with the appearance of these little rows of houses. They satisfy our architectural sense. They do not disturb our vision as unsightly houses do. They have pleasing roof-lines, quaint gable-ends, charming little porches, a bit of garden with a walk, and the chimneys content the eye as they shoot up above the roof line, in good proportion. All of these things are very pleasant, but whether the man owns or rents these architectural perfections does not matter. What does matter is whether he is living a life within one of those houses which stimulates him to hallow the premises with something beyond the thought of possession and ownership.

We wish him to become such a part of that house that his individuality leaves an impression, and we wish that individuality to be the kind that will leave a desirable impression. It is folly to think that art, even in the shape of a house, is a thing to be handed out all finished, like a mausoleum. A house is a thing to be lived in, to be continually and newly adorned, to be beautified

by continual enrichments, and thus to grow old with dignity and to be a symbol of something beside a title-deed. If we do not wish houses to serve these purposes, when we build them, then we have lost the whole spirit and tradition of architecture, which did not begin by the process of having one group, calling itself superior, hand out something to another group which was called inferior. Architecture began by the humble process of building and of finding beauty through experience. It was wholly detached from a conscious process of taking a man's measure for a house as one would for a suit of clothes. The house grew, often by slow stages, just as cathedrals grew, and in that process of growing both left something which we are never tired of beholding.

The picturesqueness of European countrysides was not attained by architects struggling over drawing boards. It was attained by people who possessed the love and knowledge of how to build with good proportion, with certain traditional charms of detail, and, above all, with a certain spiritual perception of the dignity and beauty that are possible in building and that should always be sought, even in the humblest structure. Is it not something of that which we

would like to see revived as a part of our national life? While we waste our effort in discussing means for "educating the public," and for bringing about an appreciation of art, let us remember that the greatest mission of art is to bless him who creates, and not him who enjoys the creation afterwards. It is in the creation of art that men are made rich. Men may possess untold treasures of art, and yet be in abject creative poverty.

It is of this sort of house that one would like to write, strive for, and so bring back to our land something of the charm of domestic architecture that once it had. Perhaps the time is coming when we shall, through coöperative effort, much reduce the labor of keeping house, and then it will be more important than ever that we surround the home with possibilities for the enrichment of life. It is time to think seriously of these things, and to take notice of the existence to which so large a part of our workers is condemned. "These things do not stand still."

It is true that of late years, there has been a half-hearted perception by a few people that such an existence, or such a life as was led by the great multitude of our workers and their wives and families, was not only

a great financial loss to the nation, but a source of great possible evil to government. Yet most of these perceptions were based upon definite industrial factors having to do with labor turnover (meaning that workmen were continually changing from one employer to another, entailing heavy expense to the employer in constantly teaching new men), labor shortage, labor unrest, and a generally disturbed condition in the relation between employer and employee. Vaguely, it became realizable that there was a very definite relation between both the quality and the quantity of workmanship in a factory and the living conditions of the workman when he was at home. Thus, there came a more or less vague recognition of the value of a good house for the workman. If it were owned by the occupant, so much the better, it was thought, for then it was believed that it would act as a measure of stabilizing what is called labor which would mean an end of labor turnover. Besides that it was thought that it would also have the effect of maintaining a permanent and adequate supply of workers. (This form of human activity thoughtlessly has been allowed to drift into the class of commodities, for when we now speak of labor we do not

stop to think that we are talking of men and women, sometimes children, and that they all have bodies and souls, and human aspirations toward bettering their condition.) But for one of these reasons or another, many industries have undertaken the building of houses for their workmen. No doubt some of them were actuated by broad considerations of health and welfare, as far separated from any thought of labor-control (that is, of being able to control workmen by either selling them a house on easy payments, or of renting them a house as part of their wage) as possible. Yet the fact remains that there are few, if any, really successful housing undertakings of this kind to be found in the United States. No matter how really sincere may have been the motive which prompted such operations, they cannot fail to encounter the aversion of the worker from the ownership of a home, except under very favorable circumstances, and where ownership does not require him to forfeit his economic freedom and make him dependent upon one employer.

Workmen, organized or unorganized, recognize the purchase of a house as giving hostage to freedom. Its possession, in any city or town where they are dependent upon

a limited possibility for employment, sets up a timidity in the face of what they may believe to be an injustice in any form, and puts the workman at a disadvantage in negotiating, whether singly or in groups, for whatever betterment he may wish to contend. Men will go far in supporting injustice, or in tolerating what they believe to be an economic wrong, ere they will hazard their savings which have been put into a house. This is the psychology which governs industrial housing undertakings carried on by manufacturers. In whatever guise they are put forward — no matter how attractive the terms under which they are offered — the wise workman turns away his head. He has learned by experience that freedom of action is vastly more desirable than to surrender to the steadily and regretfully repressed yearning to own a home. There may be exceptions, but they are rare, and one may well doubt their permanence.

In his Chapter on "What is a House?" in "The Housing Problem in War and in Peace," * Mr. Richard S. Childs says: "The attempt of manufacturers to sell houses and

* "The Housing Problem in War and in Peace," by Charles Harris Whitaker and others. The Journal of the American Institute of Architects, Washington, D. C., 1917.

lots to employees on easy terms or otherwise is, from labor's standpoint, not generous but positively sinister. Except in towns where there is great diversity of employment, the effect is to tie the worker to the millowner like a feudal peasant to his lord. It interferes with the mobility of labor. As the Welfare Director of a large company enthusiastically explained to me, 'Get them to invest their savings in their homes and own them. Then they won't leave and they won't strike. It ties them down so they have a stake in our prosperity.' Another informant commented on the labor troubles that brought about the permanent dismantling of a certain old plant in a New England village. 'These fool workers!' he said. 'There a lot of them had invested the savings of years in their homes and then had to sell out for a song and move elsewhere. That's what they got for quarreling with their bread and butter!' "

The alternative to this, in isolated districts or places where there is but one industry to support the town or village, is for the manufacturer to build houses for rental to his workmen, but simple and logical as such a plan seems at first glance, it is never satisfactory. The houses are likely to re-

ceive indifferent care. The workman suspects that the rental is a part of whatever injustice he may feel himself to be enduring. To the employer, the cost of upkeep is high, and the interest on the investment low. There is no collateral return to him in the form of stability of supply of workers. They feel themselves as free to leave these houses as to leave any other. Such homes have no value, sentimental or real. They are merely stepping-stones or resting places in the struggle for human betterment which is one of the cardinal rights and principles of democracy.

What a curious blind alley we now find ourselves in! Those workmen who would like to own a home of their own and settle down (most of them would) are prevented from doing so through the fear that it will hamper their freedom of action. The employer, who has every reason for seeing his workers comfortably and contentedly housed in homes of their own, cannot in any way aid to this desirable end, because his motives are suspected from the start. The community, which has everything to gain from the steady upbuilding of good homes, is deprived of both the moral and the material benefit thereof. It is the same with the na-

tion. All are sacrificed to this condition. All suffer an immeasurable loss.

It is, of course, true that house ownership imposes a limitation on the freedom of action of men in all callings. In the face of opportunity a man hesitates to make the sacrifice entailed by the sale of his house. Sometimes, under fortunate circumstances, it can be sold at a profit. This is rare, although the usual loss falls less and less heavily as we ascend from the wage-earning to the salaried or income-receiving class. It falls heaviest of all on the low-wage worker, who is often referred to as the unskilled.

Pursuing this thought to the uttermost, however, it might be said that no man should hamper himself by owning a house, but that the state should provide houses for rentals, so that all men could be free to move whenever they found a better position; and without risk of loss on the house they had bought. The real answer, however, is for the state to put an end to the frightful waste involved in our present riotous development of land, and thus make the house a stable element of our national life, free from the destructive effects of speculation in land which forces speculation in building and which always brings communal disaster in its train. If,

in the face of these facts, we ask, "What is a house?" we are obliged to answer that for the great majority who work for wages or salaries, it is a shuttlecock flying back and forth between the battledores of the manufacturer, the workman, the speculator, and the community.

Yet the house, as the framework of the home, is the backbone of our economic structure and of our physical and moral structure as well. Shall we now recognize this fact? Or will our housing reformers continue their hopeless struggle with plans for all the various ways and means that have so far been invented for compressing life into smaller and smaller quarters? Or offer temporary cures and patent remedies in the shape of standardized, machine-made structures to be built by the mile and sold by the yard? Or will there arise a new and more fundamental philosophy of the house and the home — a philosophy that is more sadly needed than any other?

Surely human ingenuity cannot proceed much further in distorting the dwelling-place into structures possessing less of the atmosphere of home than the flats, tenements and four-deckers, which, jerrybuilt and doomed to increase the fire and the death

risk more and more, have sprung up like mushrooms throughout the length and breadth of our land. It is idle to tell us that this is the cheapest way in which the world can be housed. The process has had but one effect — as far as money has been concerned — for it has steadily diminished the amount of house value that one can buy or rent for a dollar. And there is also plenty of evidence to make us believe that the people who live in these substitute houses, are growing not finer, but coarser.

There are no definite types of houses which will satisfy all. That is not the problem. The great question is this: In what manner can we so house all our workers, no matter whether they are clerks or masons or teamsters, as to develop men and women able to play their full part with the greatest advantage to world-progress and human betterment.

This is not a question of sentimental value — it is an economic question which must be solved, because the national economic structures of the future will have to depend upon better workers better housed. To ignore that will be to put the United States at a colossal disadvantage when the economic structure of our country begins to deal with

the payment of interest and the capital which has gone into War.

We know that today no desirable part was played in our wartime necessity by those who lived under the conditions obtaining in most of our tenements and in the vast slum areas created by the abandonment of localities that were once prosperous. Many of them were rejected by the Army, and were also found to be poor workers at anything. We have found through War that victory was a question not alone of men, but of industrial organization that would back up the men. But our national life is today just as dependent upon the skill with which we can organize our industry as it was in war, and in the vision war gave us we saw that the health and vitality of our workers were absolute precedents both to industrial organization and to the strength of our army. We must now remember the lesson. It was the Whole Welfare which suddenly became illumined in the red light of War! It must not be allowed to darken in the light of Peace.

Germany foresaw these things, because she had treated the question of houses as a scientific factor in pre-war preparations. England learned them by bitter experience,

because she went to war as one of the worst housed nations in the world. We had to learn the lesson wherever our industries were straining at the giant task ahead of them. We did not by any means solve the problem, but the effort has at least quickened our intelligence. The house has become one of the most important factors in our national life, for we have not enough houses to shelter our population; rents have risen to a point where they are hardly payable, and still we have thousands and thousands of our people living in houses which ought to be pulled down and thrown on the scrap heap. But soon, let us hope, we shall cease with the word "housing," as one which implies the reluctant recognition of a necessity to be dealt with in the form of charity, supplanting it with a word which indicates our fearless acceptance of the human right of all people to a decent shelter. The word "housing" smells of handing out shelter as we hand out soup. It is time to drop it and begin to talk not of the house but of the home, as our ultimate measure of progress, reflecting the character of a nation made strong through reconsecration to the principle of democracy. The good house will then be reflected in the homes and lives of

its people as the most desirable physical possession for which nations can encourage men to struggle.

Upon such structures will rise the economic machine of the future. In our blind struggle for profit, the home has been lost to sight, except as another element of the competitive system — something to be governed not by the laws of human need, but by those of human greed.

II

THE HOUSE AND THE HOME — A WORLD PROBLEM

THE question of "housing" (the word is used with reluctance and only because none other seems to have been found) is before the world today as never before. In England, where the problem has been growing more and more serious for almost a century, the present housing crisis is recognized as momentous. The English newspapers and periodicals are devoting columns, daily and weekly, to a recital of the gravity of the situation and to a discussion of the measures of relief provided by the new Housing Act of Parliament. Even a most hasty investigation will indicate the extent of the problem in other countries. Quite aside from the general reconstruction problem in France, the recent report of the Office des Habitations à Bon Marché (Office of Cheap Dwellings; Department de la Seine) revealed the housing disaster that has over-

taken Paris. The new Soldiers' War Service Homes Act of Australia, although based on an extension of the already established governmental principle of lending money from the federal treasury as an aid to home-building, likewise tells the story of congestion and slums in that far-away and comparatively new country. The appropriation of $25,000,000 by the Government of Canada to be utilized in stimulating the building of houses is but another recognition of the grave situation that has everywhere been produced by lack of control in restricting land and building speculation, two microbes that are the deadly, ever festering enemy of organized industry whether on the farm or in the shop, whether in town or in the country, in all lands. Relentless, merciless, protected by law and tradition, their appetite is never assuaged. The fatter they grow, the more devouring they become. An unprejudiced study of the havoc they have already wrought forces one to believe, willy nilly, that they have brought civilization to a point where it is faced with an ominous disaster.

It is perhaps safe to state that in the United States, the question of housing our unhoused and badly housed millions, is

slowly gaining that amount of attention which it has long been denied. More than that, the problem is beginning to be seen, as never before, as one that cannot be studied in isolation, for it is vitally related to our whole economic system. It is not a problem of just building houses, or a question of what kind of houses, or what sizes and units. It is an economic question profoundly affecting our whole life as a nation, and likewise profoundly affected by all the factors that go to make up our national life.

The problem has put on new garments, not only in Old Europe but in New America. Here, the war forced us to take it from the cradle as a puny, sickly infant called "Housing," where it had long been coddled and swaddled by charity and philanthropy as a strange case of economic disease which no one seemed to understand and over the symptoms of which there were very learned conferences and discussions, filling hundreds of volumes, by the housing reformers, who passed as a wise race of superior men. Then came the world war, and as if by magic the sickly weakling shot up into a child that walked on its own feet. Both England and the United States were obliged to recognize the child and the things

that it said, and spend several hundred million dollars in building decent homes for workmen in order to get an adequate production of war material.

With national existence hanging in the balance, and with a highly organized enemy at the throat, the relation between good houses and a decent environment to quantity production was clearly established and became visible to the naked eye of even the most conservative manufacturer. During the last ten or twenty years, in the United States, there has been dawning a general perception of the fact that such a relationship did exist, and many manufacturers have tried to establish housing and environmental conditions which would afford satisfaction to the workers in their industries. But the war evolved a glaring illustration of the losses that result from bad housing and a dreary environment.

To build ships we had to have plants. To build plants we had to have men. To run plants we had to have men. Yet, quite in keeping with our usual attitude of the past, nobody seemed to pay the slightest attention to the fact that men have to live, and that the chief mechanism in living is a house. We spent millions upon millions on plants, pre-

paratory to the establishment of a scale of production that would enable us to overwhelm our enemy, and then discovered that there were no houses available in which the workers in those plants could live. We did not think of sending an army to the front without an equipment, but we never thought of providing a living equipment, for our workers, as a part of the plant problem; we never have done so, but have left the problem to chance and the speculative builder.

What happened? Our labor overturn in the war industries rose to an incredible figure. Thousands of workers roamed from plant to plant, seeking a home for themselves, or for their families from whom they could not afford to be separated. The cost of all this in direct expenditure ran into the hundreds of millions. Indirectly, through delays in making the needed equipment for the army, there was another heavy bill of costs to pay — and all because, as a nation, we have never regarded it as necessary to interest ourselves in the housing of workmen and their families. We have left that problem to private initiative and private capital. Under the stress of war both turned tail on the problem and ran for cover. They would not put their money into houses

when the prospects of loss were so plainly to be seen. Prices of building were high, and steadily mounting. The future was uncertain. Housing investments were out of the question.

A wise and experienced government would have foreseen such an issue, but governments never become wise and experienced in these matters, because they only reflect the popular conception and attitude. Thus in our War and Navy Departments, where contracts for millions and even billions of war materials were being given out, where new factories were subsidized, old ones were ordered enlarged, and the whole mechanism of production was being stimulated by the apparently endless golden stream that flowed forth from the national treasury, no thought was given to the living conditions of the workmen who were, after all, the vital cog in the whole system. Thus we began with bunk-houses, with tents, freight cars, and by the old process of squeezing several people into rooms that were never large enough for one. Rooms rose to fabulous prices. House rents went soaring. Thousands of men even paid for the right to occupy a bed during eight hours, surrendering it at the end of that period to another, who

in his turn surrendered it to a third. Never did beds return such dividends.

Result, a slowing down of production. General discovery that men cannot work if they cannot sleep and have a decent place in which to pass their non-working hours. There were threats of labor conscription. The old-line employers and the newly made army officials saw no answer to their problem except to conscript labor and make it work and live as the government chose. Fortunately, wiser counsels prevailed. To those who maintained that if a soldier could go to war and live in a tent, or sleep in a shell-hole, workmen ought not to complain at bunk-houses and an eight-hour turn in a bed, it was finally made plain that the war problem was solely a question of getting production. That production depended upon men who had a night's rest, decent food, and a chance for some kind of recreation. Also that there was quite a difference between the soldier and the workman, inasmuch as the soldier had to be inured to war conditions as a part of the business of war, while the workman had quite a different trade to follow. Also, that soldiers left their wives and families at home and did not have to share their tents and shell-holes with

them, while workmen had to stay with their wives and families, who, in their turn, had to share the lot of the family provider.

Then, again, the war had the effect of providing a standard of measurement such as we had not hitherto possessed. It has always been known, although very often not admitted by the employing class, that bad housing conditions impose a loss on the production process. But this loss was mentioned as a vague and indeterminate factor, and it was generally taken for granted that the supply of human beings would somehow or other be maintained and that there would be no difficulty in replacing those who perished in such large numbers under the silent assault of tuberculosis and the industrial diseases engendered by bad plant and living conditions. Besides, this loss could easily be charged to the cost of production and thus be paid by the consumer. But in war there came a sort of national perception of what the cost might be. The fate of the nation was at stake. It was no longer a question of dollars and cents. It was a question of the lives and property of all, and of course under such a threat, we were willing to admit the necessity of building workmen's houses, as a national duty.

Unfortunately, the task of meeting this necessity fell at first into the most incompetent hands, and the history of our war-time house building under governmental administration, does not encourage us to believe that any solution of the problem will be found in that direction. On the other hand, for the reasons which lie at the base of the question, it will be shown later that the Government is utterly powerless in this matter, for it is faced with an enemy which it cannot yet bring to bay and conquer. The people of the United States are not yet ready for such a battle, although it cannot be avoided, when they understand the nature of that enemy.

The war housing experience of England was enlightening, and it is beyond dispute that the millions spent by our ally in building thousands and thousands of decent houses for the workers in her war industries, saved thousands and thousands of lives. Houses, in England, helped to shorten the war, by contributing to an ever increasing quantity production of munitions. Indeed, it might be safe to say that if England had not recognized the dire consequences of trying to manufacture munitions under the old conditions of slums and congestion, light-

less and airless rooms, and the deadly monotony of ugly streets and repellant bare walls, the Allies would have had a much harder task on their hands. England's final tremendous munitions production was largely due to the fact that she made her workers produce more than ever before simply by giving them a larger measure of rest, comfort, sanitation and pleasurable environment, than she had ever given them before.

Let us not forget the part that England's housing operations played in shortening the duration of the war, with the resulting saving of life and materials. Let us also remember to look with regret upon the long delays, due to ignorance and incompetence, in getting our own housing program under way. Except for the work done by the Ordnance Department, all our millions spent on housing, during the war, contributed almost nothing to an increase in munitions production, and no great amount to our knowledge of how really to meet and solve the problem.

Today the attention of a large part of the world is directed to the housing problem. The puny child has grown to a youth, strong if not robust. It has won its way into the parliaments of men. The King discoursed

of housing in his speech from the throne of England. The Congress of the United States has discussed it, and will discuss it again. State Legislatures are opening their doors to let it enter as a matter of course. Europe, not alone in her devastated areas, must rehouse millions of her population. The youth is rapidly becoming a man. The housing question will not down, nor will it be content with the palliatives of the past.

As a problem it is as old as the hills. Most of the great nations have been on a quest for a solution. Every kind of plan has been tried, except the one that will really provide a cure (although the latter has been tried, on a small scale, in several countries, as will later be shown) and so large a store of world experience is now available, and so conclusive a deduction is now forced upon the attention of any sincere investigator, that it seems both incredible and pathetic to find England still refusing to grapple with the roots of the cancer with which she has so long contended. Equally pathetic does it seem to hear well-meaning citizens in the United States advocate principles, the futility of which is glaringly evident, if one will but take the trouble to look. Many of the eleventh hour suggestions, now that the

crisis has become acute, are based upon State or Municipal loans for building houses, at low rates of interest. It seems to be thought that plenty of money will provide a quick and easy cure, yet nation after nation has tried such a plan, with very low rates of interest, only to discover that it was just a form of temporary relief and no cure at all, since a silent, yet all-devouring monster, ate up every benefit conferred. Germany, one of the first of the nations to discover and to expose this monster, sought to check his destructive appetite by having her towns and cities acquire the vacant land in their areas, so that as the value of the land rose, the profit would revert to the community and not to the individual, for the name of the monster is Land Speculation. Far-away Australia and New Zealand tried the same plan, nationally, by buying up thousands of acres of land and holding it for the future. England, through the efforts of private capital, started Garden Cities, some of which were owned on the coöperative principle, thus preserving the profit on the rise in value of such land, or land increments, as these profits are called, to the stockholders, who were the tenants. Everywhere one turns, one is met with the fact that all na-

tions have finally been forced to seek some kind of scheme for defeating the destruction wrought upon housing by the private appropriation of land increments.

Land speculation is not confined to any class. The greedy rich are no more to be condemned than the greedy poor. Everybody who buys land wants it to increase in value, so that he can get rich out of the unearned increments, for of course they are unearned, as the owner of the land does nothing but sit and wait for the land to grow more valuable. Thus the germ of acquiring benefits from land increments lies deep in our national life. The germ of land ownership lies equally deep. There is nothing to prove that those who do not own land would be any less selfish, were positions to be changed. Landlordism does not differ materially with the landlord, since it is bound to play the game according to the rules, or else lose. On the other hand, the steady growth of landlordism and the steady diminution of home ownership in the United States are problems now seen to be big with significance. They indicate, unfortunately, that a democratic form of government will not avert such evils in housing, such congestion and slums, as we find in Europe.

Our own conditions are equally bad. We, like England, can no longer build decent houses at a low rental, and have them return an interest that would be considered as fair, on the investment. Having borrowed our land and economic system from Europe, we have also allowed it to bring us to the same pass.

In the great and wonderful epic of America, how we used to be thrilled, as children, with the story of the first coming of the pioneer. As he first came across the ocean in small ships such as we would not now think of going to sea in, we thought of him as a daring hero. Then as he took his way westward into the depths of the wilderness, how we journeyed with him, breathless, in the great adventure! Is there not then a profound significance — a deep reproach — in the fact that where we once tingled with joy over the picture of the cabin in the forest, of the rude "home," the family "fireside," the welcoming "hearth-fire," the sheltering "roof-tree," we are now content to dismiss the picture from our minds and talk heartlessly about "housing."

We even include the poor man's home in our philanthropies and thus are quite willing to pass over to the hands of charity the thing

which we once glorified as the very essence of our American spirit and courage — the quest of a home! Bearing these things in mind, let us look for a moment at the Thirteenth Census (1910), and particularly at the chapter entitled "Ownership of Homes," for here we shall find some plain facts which show very clearly that we have fallen far away from the principles of home-making and home-owning that once helped to make up our national ideal. For a whole century at least the United States was the goal of the landless and the houseless of all nations. Men came here to found the home which they could not found in their own country, because the land was there all held by a minority class of rich owners who would not sell it, and who thus forced the majority of the people to remain forever landless and a tenant class practically at the mercy of a few landlords. Some months before his death, Mr. Roosevelt uttered a warning about the change that had crept over us, and he pointed out the fact that there was a steady decline in the number of owned farms and a consequent steady increase in tenant farmers. No one who has studied this question in the last decade has ignored its deep significance, but the same

AREA AND CENSUS YEAR	ALL HOMES						FARM HOMES						OTHER HOMES					
	Per cent of total				Per cent of owned homes		Per cent of total				Per cent of owned homes		Per cent of total				Per cent of owned homes	
	Owned	Rented	Owned free	Owned encumbered	Free	Encumbered	Owned	Rented	Owned free	Owned encumbered	Free	Encumbered	Owned	Rented	Owned free	Owned encumbered	Free	Encumbered
UNITED STATES																		
1910	45.8	54.2	30.8	15.0	67.2	32.8	62.8	37.2	42.5	20.3	67.7	32.3	38.4	61.6	25.7	12.7	66.9	33.1
1900	46.1	53.9	31.7	14.5	68.7	31.3	64.4	35.6	44.5	19.9	69.0	31.0	36.2	63.8	24.7	11.5	68.3	31.7
1890	47.8	52.2	34.4	13.4	72.0	28.0	65.9	34.1	47.3	18.6	71.8	28.2	36.9	63.1	26.7	10.2	72.3	27.7
ALASKA																		
1910	65.2	34.8	64.2	1.0	98.5	1.5	90.5	9.5	90.5	....	100.0	....	65.0	35.0	64.0	1.0	98.5	1.5
1900	80.8	19.2	80.5	0.3	99.7	0.3	(1)	(1)	(1)	(1)	(1)	(1)	80.7	19.3	80.5	0.2	99.7	0.3
HAWAII																		
1910	13.1	86.9	11.4	1.7	87.3	12.7	30.1	69.9	27.3	2.9	90.5	9.5	11.9	88.1	10.3	1.6	86.7	13.3
1900	19.1	80.9	17.6	1.5	92.3	7.7	69.9	30.1	64.4	5.5	92.2	7.8	17.1	82.9	15.8	1.3	92.3	7.7
PORTO RICO																		
1910	56.7	43.3	55.1	1.5	97.3	2.7	88.5	11.5	84.5	4.0	95.5	4.5	45.4	54.6	44.7	0.7	98.5	1.5

(1) Per cent not shown where base is less than 100.

fact is equally patent when we study the house. Here, ownership by the occupant has declined in a far greater proportion than has farm ownership. The Census of 1910 tells the story in the accompanying table.

The figures for Alaska and Hawaii are of the greatest interest, because they show how swiftly the same process of changing land ownership to land tenantship takes place even in newly opened lands. The difference in the ten-year periods is marked by great descents. As to the causes which have brought about this result, which is so opposed to our ideals of freedom and liberty, there can be but one general answer. Under our economic system of permitting unrestricted speculation in land, we have denied the political and social ideal upon which the nation was founded. We have turned our backs on democracy by beguiling ourselves with crude attempts to solve it in political terms, the while we gave ourselves unbridled license to exploit our land and all that it contained with no thought of what might be the ultimate effect upon ourselves as a nation and upon the democracy we professed to seek. The result we shall have to reckon with. Landlordism has steadily increased

until we are in a fair way to actually repeat the very cycle from which men of other nations wished to escape by coming hither. It was an inevitable outcome of the individualism which has passed current for freedom, and constitutes a national acceptance of the doctrine that the whole welfare of the nation must give way to the right of the individual to pursue his path as he pleases. We have struggled to curb this individualistic willfulness by many forms of legislation such as, for example, the Sherman Law forbidding trusts, but it all appears to have but little or no effect.

If we ask whether it is best, in any country, that the land and the buildings should be owned by a minority which inevitably grows smaller and smaller and thus richer and richer, we may safely answer that such a condition has never yet built up a healthy nation. Wherever it has been tried, there have been revolutions. If, however, we assume, as so many do, that the increasing wealth of the few is a result that cannot be prevented in the competitive struggle between men whose abilities are so unequal in carrying on business, industry and commerce, then we must admit that life consists merely of an endless and hopeless repetition

of cycles, each with its debacle and rebirth. But does the faith that these cannot and ought not to be prevented still claim so large a body of adherents, now that we have passed through the throes of the most violent convulsion the world has known — when we can see more clearly than ever before through eyes to which science has lent a new visionary power, when the problems of Peace are seen to be grave and serious indeed?

It is upon our answer to this question that the problem of building houses for those who work depends for the right solution, and it is this which also gives such emphasis to the importance of dealing rightly with the present dire emergency of shortage in houses, high rents, and the consequent congestion to which so many thousands of our workers, with their wives and families, are condemned. War made this so vital a question that we had to face it whether we would or no, but Peace also demands that we face it, and quickly too. And yet we cannot in any way find the right solution without asking ourselves the following questions; they weave themselves into the figures in the Census with an insistence which not only implores but commands us to find the answer.

Can it be true that the great body of our citizens no longer care about possessing a house? Has living in rented substitutes, in a steadily increasing degree over a long period of years, made them willing to give up the idea of owning a home? Do we admit that the "efficiency" of our life is so important that the great majority must consent to a landlordism which cannot be escaped? Must we as other nations have done, pursue to the bitter and disastrous end a system which says that the workman must give up his wish to own a home in order that he may save for himself the largest possible measure of economic freedom, by always being free to move without danger of losing his savings? The facts offer sad evidence of the condition to which we have arrived, and the right solution of what we have pathetically termed the "industrial housing" problem depends utterly upon our resolve to study the problem with open minds and with all the facts squarely before us.

III

HOUSES AND WAGES

ONE element of the house question which so far has received too little attention is wages. We believe it will not be disputed that as wages rise, rents rise also. Why should this be so? First, because of the natural cupidity of landlords, who find it possible to demand more rent as soon as they know that there has been a raise in wages. Second, because of the inevitable pyramiding process forced by our economic system. Under this process, and by a slow but inflexible progress, the cost of living eventually overtakes each wage advance won by the worker. Sometimes it happens quickly, sometimes slowly. Then there comes, and of very necessity, a fresh demand for higher wages. The process has gone on, almost without recognition, until it has reached a point, under the unusual impact of war, where the problem of making both ends meet is almost beyond solution for a great number of our population.

In between the organized skilled workers, who may secure temporary wage advances, and the employers, who may add the cost of the wage advances to the cost of their products, rests a great body of unorganized workers, both manual and clerical, and even professional. Their problem under present-day conditions has become grave indeed. They are caught, as it were, between the upper and nether millstones, and are without means of bettering their condition through any organized action.

In this connection it must be recognized that no industry can save itself by itself. Hitherto we have had a certain percentage of workmen organized to a point where they could succeed in bettering their condition to a degree. But the cost of this betterment has been charged back on the cost of production and thus has had to be borne by the general consuming public. Under the stress of war, and the consequent increased cost of living, wages generally have risen until they have brought us to a condition where we have begun to see the impossibility of making wages overtake the increased cost of the necessities of life. This has created a further perception on the part of unorganized workers, of the necessity of more unions.

The brain-workers see that they must pursue the trade-union method as a means of protecting themselves. New organizations are springing to life with astonishing rapidity. But under this concentrated impact the whole industrial fabric begins to creak and groan in an ominous manner. We find ourselves caught in a vortex of economic pressure which our industrial system cannot bear, and yet the foolish resort to pyramiding is the only answer that we seem able to make.

This process of pyramiding, so long as it was based on a comparatively equal distribution of rising wages and rising costs, might go on endlessly, perhaps, within the confines of one nation. That is to say, as long as the same ratio of wage to cost of living was maintained, it might be said that it made no difference as to what the money payment happened to be. As long as wages would buy the same amount of living necessities, comforts, conveniences and pleasures, it would make no difference to anybody what actual amount of money was received in wages. (Of course, the process possesses a great inherent danger, in that it provides no basis for paying workers a higher real wage, it permits the more rapid accumulation of large sums of money by an individual or by

a group of individuals, as is already the case in the United States, and it ought not, under any circumstances, to be accepted as a desirable basis for building an economic system.) But when one nation comes into competition with another, the wage cost of production is a vital factor as affecting the competitive prices of commodities which one nation desires to sell in world markets as against another nation.

One way of attempting to preserve the high wage basis in a given country, has been to lay a protective tariff against imports coming from countries having a lower wage basis. One of the prime claims made by the advocates of this form of tax has been that its adoption by a country would maintain the high wages of the workmen in that country. But as it is notorious that manufacturers under a protective tariff in the United States have been able to sell their wares in other countries at a less price than in their own, and at a profit as well, it would seem to be clear that the prices charged for goods sold in the home market must have been unduly high and profits exorbitant. If goods can be shipped to Europe and sold at a profit at a lower price than in the United States, why can they not be sold for the

lower price at home? But even putting that question aside, it is perfectly clear that the protective tariff does not solve the problem of pyramiding. Under a protective tariff wages do not remain stationary, nor do they rise as fast as the cost of living.* While the compilations of our Governmental agencies show this very clearly, the fact has been driven home as never before, since the conclusion of the war. The menace of landlordism has now reached such an acute stage as to attract universal attention, and as it is no longer possible to invest money in decent homes at a low rental, because wage earners cannot afford to pay the rent required to make a profit to the investor, all kinds of plans are being proposed in order to attract capital to house building. England, recognizing a condition which we are slow to see, has granted a subsidy out of the national treasury for the building of such homes. But let us not forget that this is no cure for the housing problem — it is merely the despairing act of paternalism forced by an unwillingness to grapple with the disease itself.

Mr. Frank A. Vanderlip, one of the reputed financial authorities of the United States, after three months' study of the

* *See* Appendix A.

after-war problems of Europe, said, in a speech delivered in New York City on May 26, 1919, a few days after his return from England: * "England has held the premier position in the international industrial markets. America grew, but England grew too. America grew faster. So did Germany grow faster. But England had, up to the outbreak of the war, held the premier position. Now how did she hold it? She had little raw material, some iron and some coal. That was all. I will tell you how she held it. She held it by underpaying labor. That was her differential. She underpaid labor until today labor has not a house over its head in England, and that Government is undertaking to build one million houses for working men."

Unfortunately, Mr. Vanderlip's statement as to the housing conditions in England cannot be dismissed with any such simple analysis as that, and as an economic illustration it needs further examination. England's workers have been underpaid. So have all workers. No country has paid labor fairly, and no country can pay labor fairly. It is not possible, under our economic system. The workers of England are today

* From a press report.

preparing to obtain a different result, and the Government of that country is wise enough to recognize the fact that if it does not subsidize the building of houses for workers, either they will not be built, in which case the result would be a revolution, or else the housing demand will be met by the erection of the cheapest kind of buildings, no better than slums when new, and England now knows that not only must the old slums go, but that she must prevent any more from coming into existence. Her national safety demands it, and the life of her industry is dependent upon the abolition of the slums and the provision of healthy homes and a satisfying community existence as a definite and permanent translation of that "better world to live in" for which her workers were asked to make their heroic sacrifice.

Lord D'Abernon, upon his investigation of the drink problem in England, reached the conclusion that men and women get drunk in England for the most part in order to escape the horrors and the misery of their environment; this conclusion will not be lost to sight, even though the land-owning class in England will struggle bitterly in opposing the true remedy, by which alone

England can change her environmental conditions.

But the environmental horror and its ensuing depression upon the individual, against which the struggle is increasing until a large part of the world is inquiring as to what is to be done, are the result of our pyramiding process as applied to wages and the cost of living. They indicate beyond dispute that the process has slowly spun itself out, until, under the added burdens of the cost of the war, the pyramid is beginning to show signs of weakness at the base. These weaknesses will increase as there comes the inevitable necessity for nations to make profits out of international trade. Their debts owed to their own peoples may (to a greater or lesser degree) be extinguished by internal taxation but their external obligations must be paid out of the profits of international trade. There must be an exchange of products between nations. There will be a pronounced competition in the markets of the world, keener than ever before. The pyramid raised out of successive wage increases and successive higher living costs will operate as a great handicap to those nations which are on a higher wage basis than others. A greater per capita produc-

tion might tend in some degrees to offset this handicap providing that greater production can be obtained, and the profits therefrom turned over to the producers instead of to the non-producers as under our present system. But the whole process ought to be examined impartially as a basic principle of our whole economic system, and above all things, let us remember that our pyramid stands not on its base, but upon its apex. The larger it grows, the more props it needs to keep it from falling over and crushing us; it is only a question of time when no props will be strong enough to prevent the fall, for we are only trying to defy a physical principle that cannot be defied.

The truth is, also, that the pyramiding process simply does not work on anything like an equal basis, and the reason for that, at least in respect to housing, lies clearly in the fact that the increase in the costs of building sites outstrips the ability of the worker to secure a wage increase that will enable him to meet the higher rent demanded on account of the ever higher price of land. He simply cannot keep pace with the rising price. As a result, as we have said, it is a generally recognized fact that it is no longer possible in the United States to build decent

houses within the rent-paying ability of low-wage workers. The same condition exists in England, where the national treasury must now contribute a subsidy to the building of small houses. There are those who contend that this is due to the war, but the facts will discover to whoever cares to investigate, that the same condition actually existed for many years prior to the war, in Europe, and for some years prior to the war, in this country.

As rentals are a very large item in the budget of the workman, whether he be a wage-earner or a clerk, so do they also constitute the largest single factor in the pyramiding process involved in the effort to make the rise in wages gain over the rise in the cost of living. Thus they contribute more than any other single factor to the instability of labor, to discontent, and to the continual strife between organized labor and organized capital. If the housing question could be seen and recognized and understood as a question of wage-stabilization, both employers and employees could then begin to grapple with it intelligently. But the fact is that housing reformers and philanthropists have persisted in keeping the housing question in an isolation hospital, where it

was considered as a peculiar problem to be solved by building cheaply, skillful planning and continually discovering how to put more people in the same space. Thus the disease was never diagnosed in relation to wages, rentals, taxations, cost of land, and cost of living, and the whole mechanism of industry. Seen in this true relationship as a sick member of our whole system, it will be at last understood. Looked at under a microscope as an interesting, diverting and sometimes a troublesome social phenomenon, having nothing to do with anything except houses, it has no chance whatever of being understood, diagnosed, or cured.

Architects have wrestled with the problem in vain, failing to realize that all of their skill in planning and designing was neutralized by economic factors over which they had not the slightest control. Each time they seemed to have squeezed the last drop of room out of a given piece of land, it at once became necessary to squeeze out more. All of their effort in contriving economies and in the more efficient use of space, have, in the final analysis, contributed nothing to the problem of how to provide decent and comfortable homes for people of small wages or salaries. In the larger cities, the answer

has been the tenement; the agglomerate hives where human beings have succumbed to smaller and smaller rooms, less and less light and air, and a generally uninspiring and depressing environment. In the smaller towns and villages, the answer has been shacks and hovels. Why? Not because there is not enough room in the world for decent living conditions, but because sites for house building purposes increase in price faster than workers can increase their wages. This rising cost of sites brings a corresponding rise in the cost of the building. In order to insure a return upon the investment, more tenants must be crowded onto the same piece of land. The process continues unchecked, until the point is reached where the continually rising land costs compel not only that the house shall be reduced to the lowest possible minimum of rooms, but that each room shall also be reduced to its lowest possible minimum of space. Yet still there is no end to the rising rental. Such a process has been going on in New York City, for example, for many years. It has now reached its culminating point, for the cost of sites and the cost of building have made it impossible longer to build any kind of low-rental homes, no matter how skilfully they may be planned,

at a price that will return a profit to the investor.

New York City has thus been suddenly awakened to an appalling condition of housing. The shortage of houses, due to suspension of building during the war, has made possible a form of rent profiteering of which far too many landlords are willing to take advantage. Prices of housing property have soared as in a land boom on the open prairie, but they are based on the exorbitant rentals which the owners are able to extort. Speculation, everywhere the dominant motive in house building, is suddenly provided with a new weapon of mighty and sinister power. London is struggling in the same predicament, and Parliament is being implored to grant relief. Paris is in the midst of a housing disaster. Almost all large centers in the United States are affected to a greater or less degree.

A study of the conditions surrounding home ownership, this now almost extinct institution in New York City, should be of more than local interest.*

"The proportion of rent-payers is increas-

* "Home Ownership in New York City," by Herbert S. Swan. The Journal of the American Institute of Architects, January, 1918.

ing; the proportion of home-owners decreasing. Tenantcy is becoming the universal rule and home-ownership the rare exception. The ownership of a free home is a tradition of the past. If the present tendency continues, it will only be a question of time when the ownership and use of land in New York City will be completely divorced, and the whole city will, in effect, stand in the relation of a tenant to an absentee landlord.

"The percentage of owned homes in the city is declining; that of rented homes increasing. In 1900, one family in every eight owned its home; in 1910, only one family in every nine owned its home. In 1900, one family in every twenty owned a free home; in 1910, only one family in twenty-eight owned a free home. In 1900, 42.2 per cent of the owned homes were free homes; in 1910, 30.2 per cent of the owned homes were free homes. During this ten-year period the total number of homes in the city increased 41.2 per cent; the number of free homes declined .8 of 1 per cent. The number of free homes in the city, instead of being increased by the erection of new homes, lost one of the homes owned free in 1900 for every thousand new homes constructed during the decade.

"Out of every thousand new homes constructed in the decade, 110 were owned homes. In Chicago 290 were owned homes; in Cleveland, 312; in St. Louis, 327; in Philadelphia, 451. In only one of the next five largest cities was the number of new owned homes per thousand less than in New York. In Boston it was 88. Of the fifty-one cities in the United States with a population exceeding 100,000 the number of owned homes per thousand new homes was probably greater in Spokane than in any other city. There is was 584.

"The number of free homes per thousand new homes was a minus quantity in New York City, but in Philadelphia 95 out of every 1,000 new homes built were free homes; in Cleveland, 112; in Chicago, 126; and in St. Louis, 173. Even in Boston it was 8.

"In Spokane it was 283.

"Chicago, with less than half as many homes, has more owned homes than New York City, which has only two-thirds as many free homes as Chicago. Philadelphia, with less than one-third the number of homes, has more free homes than New York City.

"The situation affecting home-ownership

in the city (New York) may be epitomized under four points:

"1. The number of rented homes is increasing faster than the number of owned homes.

"2. While there is an increase in the number of owned homes, this increase occurs not among the free homes, but exclusively among the encumbered homes. In fact, there are more homes mortgaged in a given period than there are homes purchased. In other words, the encumbered homes are increasing at the expense of the free homes whose owners are gradually either mortgaging them or disposing of them to join the tenant class.

"3. The owners of encumbered homes are not paying off and cancelling their mortgages in order that they might become the owners of free homes. A new lien is contracted for every mortgage liquidated on an owned home.

"4. Only a moiety of the equity is acquired in any new home purchased. For every home in which a full equity is acquired, another home is mortgaged."

But New York cannot now alone extricate itself from the pit into which it has allowed itself to fall. Government of some

kind must come to its aid. And with an ignorance that is as sublime as it is pathetic, it is suggested by many that funds at a low rate of interest should be provided by the State, in order that house building may be financed. Some set the figure as high as $20,000,000, but that it should be supposed that such a method will effect a permanent cure, is incredible.

Government must aid, no doubt, but it must first formulate a complete program based upon curing a disease and not upon alleviating a symptom. The State, or the City must surround whatever credit system may be adopted with legislation that will defeat the effect of land increments; otherwise nothing but a momentary improvement can be gained. Without such safeguards, another speculative cycle will be launched on a large scale, out of which land owners will reap enormous profits, and by which the housing question will again be brought to a worse condition than now confronts it. As site costs rise wherever houses are built, house costs must increase. This is known to every one who knows anything about the use of land and the building of houses. Yet the answer has always been sought in two ways: First, in a tenement house code,

which, after landlords have taken such an advantage of tenants that the slums become a public nuisance and a public menace, is enacted as a law which fixes the minimum conditions of safety, sanitation and space in a tenement house (which minimum conditions at once become the maximum!). Second, in skillful architectural planning whereunder the family might be compressed into the smallest possible area. It has all been not only wrong, but wholly ineffective, — and yet it now is proposed, in several states and cities to continue the same scheme with government funds.*

In this connection it is worthy of noting that Dr. Addison, then President of the Local Government Board of England, the body first charged with the administration of the new housing Act in that country, said the following things at the second reading of the Housing Bill in Parliament: "The war has caused arrears in the building of houses to the extent of 350,000. Then there were a very large number of houses unfit for human habitation. An incomplete return of 1914 showed that there were 70,000 houses quite unfit for habitation, and a further

* For suggested types of wise legislation looking to permanent improvement in housing see pages 96 and 156.

300,000 that were seriously defective. There were about 3,000,000 people living in overcrowded conditions — more than two in a room — and in the area covered by the London County Council their return showed 758,000 living under these dreadful conditions. The cost to the nation in caring for the tuberculosis generated in these slums must be many millions a year. Therefore the question of the slum areas must be dealt with as part of their housing scheme. No scheme which centered solely on building houses on open land would suffice to deal with existing evils. There were 1,800 Local Authorities entitled to deal with housing; but their powers were inadequate to remedy the evils. The cost of acquisition of sites was almost prohibitive in every case, and no solution of the problem could be complete until they could make the cost of acquisition of land in some way commensurate with its value." *

Let no one think that the condition is any better or any different in the United States! Our problem is not alone one of building new houses or of scrapping several hundred thousand old ones as well, which cannot with safety remain as a menace to both industry

* From a press report in the London Daily News.

and our form of government, — it is frankly a problem of land control.

The Land Acquisition Act was discussed in Parliament on Thursday, April 11, 1919. It provided for the acquisition of land at its post-war inflated value, and it is very curious to discover that while Sir Gordon Hewart, the Attorney General, stated that the Bill was based upon the recommendations of the Committee on Land Acquisition, of which Mr. Leslie Scott was Chairman and which had been conducting a long study of the land problem in England, Mr. Scott himself rose in Parliament and moved the rejection of the Bill on the ground that the Government "had failed to provide a cheap, simple and expeditious procedure, and had made no attempt to deal with the subject of compensation as a whole, and particularly with 'betterment and injurious affection.' " When it is remembered that during the war, England, under the Defense of the Realm Act took land for housing at its pre-war value, one is not astonished at the indignant protest of Liberals, such as Sir Donald Maclean, for example, who derided the Bill in unmeasured terms and characterized it as rendering worthless the whole social program proposed.

It is plain that the vast housing schemes of England, upon which her whole industrial fabric may now be said in large measure to depend — since the housing shortage in that country is a real menace — have been seriously affected by the passage of the Land Acquisition Act. The Government, under the Act, is obliged to take land at its market value and not at its actual value. It seemed impossible that England, in the present crisis, would fail to adopt a new national attitude on the land question. But there, as here, the old theories of land ownership and the right to appropriate site increments, still permeates the national consciousness. Less so there, than here, perhaps, since land has been so little available for ownership in England that most people are resigned to a landless condition; this ought to make the problem of land control easier, instead of harder, for land control means that a people must surrender its right to use land as it pleases, without any consideration of the public welfare, and also discontinue the present system whereunder land owners are free to tax humanity to the uttermost point the traffic will bear. There is no solution of the housing problem — and thus no solution of the other problems that are every-

where presenting themselves in increased costs, higher wages, and the endless cycle of pyramiding — until the fundamental question of land use is solved. The very fact that England's industrial life is now in danger, and that she needs to build a million new houses to save it, does not deter land owners from demanding a Bill that will enable them to put the highest possible price on their land. The very presence of the nation's dire need for land, sends prices soaring as though gold had been discovered in a suburban lot.

Think for a moment of what this means. It means that the state must pay more for the land than it was worth until the need of the state became apparent. This extra cost can be met in only two ways: first, by building more houses to the acre and thus defeating the very object of the whole housing scheme, or, second, by charging a higher rent for the houses, when built. But, as in no case can the workmen afford to pay a fair rental for these houses, the new law compels the community in which the houses are built to grant a subsidy, the money for which is obtained by the compulsory levy of a special tax of one penny in the pound. As even this tax,

added to the rental paid by the tenants, will not suffice to pay the interest charges on the loan, the cost of upkeep, and provide amortization, the State here steps in and agrees to make up the difference. As an idea of what this difference means, it may be stated that the rehousing schemes for London will cost the State about $5,000,000 a year, until they have been amortized. At this rate the annual cost of new housing to the communities of England and to the nation will run into a colossal sum. Every dollar paid for land, above its fair value, increases this sum. More than that, the value added to the unbuilt land by the vast operations of the Government, will also be presented to the owner.

Thus, when the workers of England are asked to produce more, as a means of rescuing their country from her present industrial and financial difficulties, they may well look at the land-owners with a wondering eye. The tax which they levy is only an act of piracy.

(Since the writing of the foregoing paragraph, the official statement of the Ministry of Health, up to October 31, 1919, shows that under the terms of the new Housing Act there have been submitted to the Ministry 5460 schemes for new housing develop-

ments. These involved a land area of 47,250 acres and houses to the number of 41,023. Of these schemes, 1950 involving 21,850 acres of land and 27,486 houses have been approved. When it is considered that the lowest estimate, on a most conservative basis, called for not less than 500,000 houses in order to meet the crisis in England, it may easily be understood how far behind lags the effort to meet it.

Commenting on the situation, coincidently with the publication of the figures above cited, the Westminster Gazette remarks: "Dr. Addison and Sir Kingsley Wood explained to the Parliamentary Housing Group on Tuesday the progress of the Government housing scheme. We had statistics which are already too familiar about sites acquired, loans authorized, and schemes submitted. And we would willingly give all the statistics for a sight of a few completed houses built under Government plans. How long is the present deadlock to last? Nearly a year has passed since the armistice, and for months before the armistice plans were said to be in preparation. It need not take a year to build a house, yet no houses have been built. Respectable people walk the streets with sandwich-boards proclaim-

ing that they cannot get a home, and the Minister responsible retorts that he has passed plans for 27,000 houses to meet a shortage of half a million. Yet even the 27,000 only exist on paper. Unless Dr. Addison can get it into his head that houses are substantial things of brick and mortar, in which people can live, and not something drawn on a sheet of paper, he should make room for somebody who has more practical notions on the matter. . . . Let us realize that with every month housing conditions in the villages and in the industrial quarters of the towns are becoming worse. . . ."

One is sorry for Dr. Addison. Parliament handed him an impossible task, for it obliges land to be taken for housing schemes at its market and not its real value. Up to the present he has had the assistance of the Government's Valuation Department, which has been able to effect some savings in land costs. These have averaged from £119 in country areas to £212 in urban sections. But only a fraction of the necessary land has been acquired and the prices will continually go higher and higher. How strange that in war the Government could take land for housing at its pre-war actual value, and now is obliged to take it

at its post-war market value! A thousand Dr. Addisons could not overcome such a condition, for the mounting price of land is assuredly reflected in the cost of materials and the wages of workmen.

It is apparent, therefore, that the whole English re-housing scheme is in grave danger of becoming a fiasco. In addition to the difficulties mentioned, there are others. Loans are hard to obtain, even under the security offered by the Housing Act, for the mounting cost of good houses frightens the tax-payers, on whom a considerable part of the burden will fall. Thus it is not surprising to read in the English press, wherever one turns, a persistent clamor for any kind of housing such as will afford at least temporary shelter. The ready-cut wooden houses used in Canada and the United States are being discussed, and their importation in vast quantities is being considered. Violent opposition manifests itself, first from those who cannot bear the thought of an English countryside littered with the barbarities of America, and second from the workers themselves, who have already raised the cry, "Wood for the workers, bricks for their betters."

Apparently the Government is feeling out

the opposition, pleading the urgent need of houses and the financial situation of the Treasury as factors which may compel a considerable reduction in the quality of the houses to be built under its program.

The present serves to illumine the spectacle more vividly than ever before, and one seems to see the human race shackled and manacled to an idea, yet blind to the fact that the idea spells disaster, perhaps death, to civilization; blind to the burden under which it staggers along; and blinder still to the reason why that burden continues to increase, now in the shape of rent, now in food, now in clothing, now in this necessity, now in that. Land is our national Monte Carlo. It is the green table on which we gamble away the wealth of the nation, and its prosperity and well-being and social stability as well. It is idle to condemn present landowners. If the landed of today were to be usurped by the landless, there would come no change. It is not a class problem, but a system that is the fault. Out of that system spring huge profits in land, but always with the same direful result to the community that gives them away. We see district after district become congested, reduced to slums, given over to the dregs of the cup that a few

have drained. The evidence is piled mountain high, but the will to find the solution has not yet germinated in the national consciousness. Sometime it will come, because it will be forced by conditions beside which those at present annoying New York City will seem trifling. Yet, there is still time to ward them off. And who should do it?

Why not the business men of the United States, the employers of labor, the masters of finance, the monopolists of credit? What would contribute more to social and labor stability than a stabilized rent? That is the phase of the problem which ought to present itself to intelligent men, yet we waste so much of our time in the United States over a discussion of class issues rather than over systems, that it seems almost idle to hope that any perception of the real nature of the housing problem will dawn on our captains of industry, until it is too late. But the warning is writ so large, just now, that perhaps some of them will see it. If so, we shall get requests for State action such as will make possible the control of large areas of unused land, whereon communities may be established under non-speculative conditions. Also, we shall get a perception of the necessity for demolishing slum areas, as national

menaces to our physical and moral well-being, and their replacement with decent dwellings. It is a large view that is now needed; woe be unto us if we take the little view of the palliative housing reformer.

The housing question will not down until it is settled right, and all efforts to compromise in the solution will only make the final cost more staggering.

IV

THE EMPLOYER AND THE HOUSING QUESTION

WHAT is the interest of the employer in the housing question? Looking backward to the early beginnings of centralized industry in the United States, we find that good houses were once esteemed as an indispensable part of the plant. Among the earlier established cotton manufacturing industries in New England, for example, there may be found traces of excellent corporation houses; some of them are of great architectural interest, and indicate that our real American traditions of the house and the home had not then been trampled under foot by competitive industry. But visiting these little towns of today, one is depressed at the sight of such slums and congested areas as now exist. Little by little they have crept in, ever growing meaner and more squalid, until they now beggar description.

Manufacturers have entirely failed to note the presence in their midst of a microbe bent upon their destruction. They may, themselves, in many cases, have participated in the havoc caused by this tiny organism. They may themselves have reaped large profits from having bought land cheap and sold it dear. Someone has been doing that in every community. But the total effect has been to lower the living conditions of a large body of workers. It would be interesting to compare the percentage of wages spent for rent out of the wages received by a millworker in Rhode Island, in 1840, and the percentage spent in rent by the worker of today. But the living conditions represent a comparison that can be made by anyone who cares to make a little pilgrimage through the cotton manufacturing districts. It is true that the corporation has supplanted, almost entirely, the individual owner. The point of contact between actual owner and worker has been lost, and with it that degree of human interest and brotherliness that existed in the early days of manufacturing in New England, when the master was one of the workers and when all were largely of what is now known as American stock and parentage. The stockholders are

now the owners and they are represented by a hired agent whose business it is to produce dividends. Human interest no longer exists. Competition has reached a point where an agent cannot alone change the housing conditions surrounding his particular factory. If his competitors will not act, then he cannot act, except under the fortunate circumstances of a very prosperous business and the willingness of the stockholders to permit an expenditure of their dividends. In the larger manufacturing districts, where many industries cluster, no one is responsible for the housing conditions, and hitherto, it has been generally accepted that the manufacturer had no interest in his workers beyond the wage paid and the work done.

But what is this microbe that continually ravages industry of every kind? It is the microbe of unearned increment, — of the value added to land by community growth, and appropriated by individuals. The addition of value is a natural thing. The use value of land must increase as its productivity or desirability increases. But that use value, as has so often been pointed out, belongs to those who create it. Even if there are still those who do not and will not agree to that theory, which seems to be the most

simple form of economic justice, it remains to be pointed out that the appropriation of that unearned increment by the individual land owner constitutes a disease that is continuously attacking all forms of organized industry. It is an enemy which is fatal to any wage or labor stability. It is wholly opposed to the point of view of the intelligent manufacturer, who seeks to make goods by employing workers and paying them a fair wage. Why? Because the individuals who capture the unearned increment on land are, in reality, adding a capital charge to all industry. It is a capital which does not appear in any shares of stock. It is a capital charge over which the manufacturer has no control. But it is a capital upon which the holders demand the payment of a dividend by the manufacturer, and the collection of which they are in a position to enforce whether the manufacturer wills or no. They may, and often do, ruin him, in securing their payment. Thus the manufacturer who is located in a community where site values are still rising (and where, as a consequence, the citizens point with pride to the growing wealth of their community) is continually having his cost of doing business increased. His own taxes are likely to rise, in the first

place. They generally do. But this added burden is but a drop in the bucket compared to the general rise which takes place and which must be met by the manufacturer. His workmen find the cost of living to be on the increase. Their house rent is raised. Other things rise in proportion, but house rent is a large factor and one that always meets with a grudging and surly reception. Little extra added costs in other things may pass without too much complaining, but the landlord is always regarded as an exploiter, and even though he only raises the rent to meet his own added cost of living and doing business, the tenant always looks upon him with suspicion as a kind of bandit. The very name of landlord stinks in the nostrils of most tenants, and by the same token, the tenant is often looked upon by the landlord as a sort of necessary evil who pays a dividend in the shape of rent. That is the psychology of the relationship as a usual thing, and will explain one of the reasons why a rising rent is more menacing to the manufacturer or employer than any other single factor in the pyramiding process.

These happenings repeat themselves almost daily, sometimes on a small and almost imperceptible scale; sometimes on a scale

that leaves nothing whatever to the imagination.

* "When the Lackawanna Steel Co. put its big plant on a stretch of vacant land near Buffalo and offered work there for several thousand men, the town land was worth $1,279,000. The city of Lackawanna, 14,000 population, grew up there, and the land values skyrocketed from $91 per person to $644, the plant land being eliminated in each case. That inflated value for standing-room was, in fact, enough to keep about half the Lackawanna Steel Company employees from making their homes there at all, while many of those who do live there, huddle in dingy saloon lodgings and leave large areas idle in the hands of the land speculators. The annual value of a man's full share of Lackawanna land for himself and family of five at 6 per cent is, at the original value, $5 \times \$91 \times .06$, or $27.30; at the enhanced value, $193. Money spent on land rent cannot be spent on house rent. The annual cost of a wholesome house is, let us say, $125 a year. If his modest lot cost only an additional $10 or $20 annually, the worker could

* "The Housing Problem in War and Peace," Chapter by Richard S. Childs. The Journal of the American Institute of Architects, 1917.

more nearly afford those superior accommodations which the housing and city-planning experts yearn to give him.

"The net unearned increment which Lackawanna has given as a princely gift to miscellaneous lucky private land-owners and speculators is $6,788,000, a figure large enough in itself to explain why Lackawanna is mostly ragged and squalid instead of dainty and wholesome.*

"The Lackawanna Steel Co., after creating the increment, finally bought additional land at the enhanced values and erected a group of good houses for some of its employees, but was unable to charge to its low-paid workers rents high enough to make the operation anything but a philanthropic proposition.

"The U. S. Steel Corporation has taken the logical next step by purchasing town land in various places at the same time as the land for the new plants, thus in some degree anticipating and capturing the increment for the benefit of its workers. In some degree, I say, for the coming of a mysterious purchaser who buys land by the square mile

* These figures are taken from an elaborate unpublished report by H. S. Swan, of New York, prepared for the Committee on New Industrial Towns.

cannot be altogether concealed, and the Corporation which, of course, has no power of condemnation, gets mercilessly mulcted by the land-owners who get wind of the operation in time to raise their prices.

"Having thus acquired the town-site, the Steel Corporation plans the streets and sells off the lots without attempting to reap a profit. But as population arrives, the unearned increment arrives too and confers profits promiscuously upon the successive land-owners. In Gary, Indiana, which this Corporation created, in 1906, on vacant sand-dunes, this generous policy resulted in distributing $22,358,900 net to various private owners and speculators during the next ten years, a heavy burden upon the steel workers in their efforts to buy housing accommodations or anything else." *

This is precisely what is meant in saying that the value added to land by industry constituted a capital charge on that industry itself. Those who own the land so raised in value demand, and are able to get, a higher return from it. The moment it is sold to build upon, that higher return makes its

* From a report to the Committee on New Industrial Towns, by Dr. R. M. Haig, of Columbia University, republished in part in the Political Science Quarterly, March, 1917.

presence felt by a necessarily higher rental for the house — or else in forcing a congestion on that land such as will produce the higher return at a lower rental, — which is the beginning of slums.

But skilled workers will no longer tolerate slums, and to pay the higher rent resulting from this system, the wage-earner soon has to have a higher wage. How many times the average wage-earner of fifty has gone through that process in this country, who knows? And yet he and his children and his children's children must continue in the same manner, unless the pyramid falls to the ground before many years. Each time it is the manufacturer who pays first, and even though the process can go on for quite a long time without bringing ruin in its wake, the ultimate end ought to be visible to any intelligent manufacturer. Camped forever at his heels, the blood-sucking leech fattens itself into a swollen capitalization over which the employer has no control. But he has to pay. The dividend has to come out of production. All commerce is dependent upon production, and hence it is upon production that the primary burden falls. The manufacturer can and does distribute it. The merchant pays him more for his wares. The

customer pays the merchant more. But all the time it is production that is paying the bill. All the time, it is the producer who carries the burden. The fact that the money finally comes out of the pocket of the consumer makes no difference, for without production there would be no money in the pockets of the consumers.

Thus it is to the manufacturer as though someone were continually watering his capital stock by a process which consisted of putting nothing whatever into his business, and yet of taking out fresh shares of stock every time the town grew in any direction, or the country grew, or the state grew, or the nation grew or even the world grew. The process is slow in some places; very rapid in others. There are towns, for example, which have never felt the effect of increasing site values. There are others where large industries have grown up over a period of years, or within even a few months, where slums, congestion, high rents, and general chaos have descended upon the town so swiftly that the community scarcely realized what had happened. On the whole, the community is pleased. Every one has made money. Real estate has increased in cost. The demand for building has grown. There are more

men and women to spend money in the stores and shops. It all looks like prosperity. In truth, the manufacturer, who is alone responsible for the boom, has had saddled upon his neck an extra cost of doing business which will presently appear in the demand of his workers for more wages to meet the higher cost of living. Why the higher cost? Because the speculators and land-owners have capitalized the necessities of the hour into a huge sum upon which the manufacturer must pay a dividend. He does not pay it to them direct. He pays it to his workers who then pay it to the holders of this watered stock. These land-holders, who claim their rights just as though they were stockholders, have put absolutely nothing into the manufacturer's business. They have contributed nothing whatever to its advantage or towards its success. They have simply been leeches sucking the blood from his business. The manufacturer does not realize this. He is accustomed to the general belief that rising land costs are an infallible indication of prosperity. Besides, he is very busy with his plant. He is occupied with the thousand details of starting or running a business. He is not interested in houses for his workers. He has always believed that a

housing demand would be met with a housing supply. He is willing to leave that to those who make a business of houses. And they are very willing to have it left to them. It is only after a while that the manufacturer discovers what has happened. Then, he resorts to the pyramiding process as his only method of meeting the demand for higher wages. He may hold out against paying them, but in the end he will have to give in. His business has gone the way of all others, into the pyramid system, there to stay until the question of international trade sets up a condition where pyramiding will not answer the problem. The world is very near that condition today.

Is it not time to take account of stock? Is it not time for Production to find out where it is going? Is it not time to ask how much longer the pyramiding process can go on? It is the Producer who must ask. The Consumer meets his problem by demanding more wages from the Producer with which to meet his rising cost of living. The Producer meets his problem by fixing a higher price on his productions. How much longer can he go on fixing a higher price?

The merchant, or distributor, who comes in between producer and consumer, can

solve his problem by raising his prices. No other course is left to him. He may grumble, in many cases, and with reason, where he is compelled to accept a higher cost price while his selling price is fixed. But on the whole, he takes care of himself. He has no direct interest in the stock-watering process that dogs the heels of the manufacturer. He leaves that problem to the manufacturer. And in the meantime, a certain group of men who own land, or who deal in land, are able to enjoy a financial return based utterly upon the efforts of others. The problem is not an individual one, nor a local one. It is a national problem, and upon its solution depends the ability of the American manufacturer to keep our economic machine in shape to meet the economic machinery of other countries in the markets of the world. And to meet other grave problems as well.

There are also many inter-reactions in this stock-watering process. Higher wages always mean a rise in the cost of production, and thus the users of raw materials may have their costs raised through production conditions a thousand miles away. All of these inter-reactions are continually increasing the cost of everything, although scientific research and mechanical progress are continu-

ally increasing the volume of per capita production.

Scientific volume production ought to make things grow continually cheaper; instead, they grow continually dearer. The larger part of the benefit derived from improved methods and the contributions of scientific research are more than swallowed up by the increased cost of labor, due to the increased cost of living, due to the dividends demanded upon the watered stock which piles up wherever the activities of men are centralized in a community. Instead of gaining by its unparalleled achievements in science and mechanics, the whole industry of the world is actually losing, so far as it is a benefit to the progress of men. The charge for using the surface of the earth to live on grows higher every year.

In the meantime, the pressure of life grows. The pace becomes more feverish at every step. Both master and workman are caught in the same net. They are contending against an enemy whom they will not recognize and yet whose shadow stalks past them like a ghost. The capital stock of the manufacturing industry is not only being watered, but the capital stock of our agricultural industry is watered equally and just as

continuously. In truth, we are watering the capital stock of the nation, which is our land. We are making it a more expensive part of our production plant every day, every month, every year. The process never ceases. It is retarded here and there, by the rise and fall of certain industries. Site values decline in some places, but they do not relieve the rising charge on land, for they generally represent areas that quickly deteriorate, generally end in becoming slums, cut down taxable values, and merely help to add to the burden saddled upon improved land.

In his message to Congress, cabled from Paris, President Wilson said these things: "There is now in fact a real community of interest between capital and labor, but it has never been made evident in action. It can be made operative and manifest only in a new organization of industry. The genius of our business men and the sound practical sense of our workers can certainly work such a partnership out when once they realize exactly what it is they seek, and sincerely adopt a common purpose with regard to it. . . . But the new spirit and method of organization which must be effected are not to be brought about by legislation so much as by the common counsel and volun-

tary co-operation of capitalist, manager and workman. . . . Those who really desire a new relationship between capital and labor can readily find a way to bring it about; and perhaps federal legislation can help more than state legislation could."

If these words of the President seem to shed much light on the questions at issue, they who see should be grateful for the illumination. To be sure, the President does in other paragraphs refer to some of the agencies through which he thinks this new community of interest may be brought into being but his references are in the main to those agencies already in existence, and which, however much they have accomplished, can in no way prevail. A more powerful agency than they stands between the dream and the reality. Between capital which seeks a fair profit, and workmen who seek a fair wage, stands the rising cost problem. The manufacturer has his rising cost of production. The workman has his rising cost of living. Round and round they chase each other in a vicious circle, while the owners of land plunge their hands first into the pockets of one and then into the pockets of the other. These land owners may, and generally do, belong to the possessing class,

and often to the manufacturers themselves, but the class makes no difference. Wherever men turn, to work, to live, to play, up goes the cost of doing either, and still the pious-minded point out the "community of interest," without ever touching upon the basic nature of that gentle platitude. President Wilson could render no greater service to his country than by explaining what he means by "community of interest," and then by telling us how to make it both vivid to all and attainable by all.

Suppose, that just by way of change, that very elusive "community of interest" should be captured, confined, studied and at last recognized as the combined effort of employer and laborer to put an end to the process of rifling their pockets! Suppose that by way of setting about the attainment of cost reduction in production, and that better share for labor, a way was found to eliminate the watered stock and the slyly stolen dividends filched from both capital and labor.

The Mayor of Seattle, in an address delivered at the convention of the National Manufacturers' Association in New York City on May 21, 1919, said: "Labor must be satisfied, must have good living conditions, and must receive the highest possible re-

muneration." One may be excused for suspecting that these words are more in the nature of a bid for the labor vote than they are an intelligent exposition of the problem before American industry. That problem is the increase of production, the decrease of production cost and a fixed higher wage for workers. How can workers secure "the highest possible remuneration," when a part of that remuneration is continually being diverted from them by those who are able to capitalize every human effort into increased charges for the use of the land on which they work, on which they live, and on which they play (if they get the chance). But the Mayor of Seattle is an orator, not an economist.

This is where the housing problem begins and ends. All efforts to solve it with tenement house laws, municipal credits, Government loans, cheap forms of construction, or wholesale building operations, recoil defeated and checked before the fact that wherever men go, whatever they essay to do, the owners of land immediately capitalize their wants or desires or intentions into a charge upon the use of land. This process cannot go on much longer without bringing dangerous and even revolutionary consequences.

V

THE TWO PLANTS

LET us try to state the house problem in yet simpler terms. Let us try to show its real relation to what manufacturers call their plant. Now, plant is a word that covers a good deal. It means first of all land; then buildings, machinery, and equipment of all kinds. The manufacturer thinks of his plant in such terms, and he thinks that his plant is limited by the land and buildings he occupies. He does not think that he has any direct interest in the great plant outside his walls or gates. He may think so, perhaps, if he owns land or buildings from which he derives a rental, or he may think so if the town proposes to spend a lot of money for improvements and thus raise the taxes. Then, vaguely, he feels the connection between the general plant outside his walls, and his own particular plant that is within those walls.

But until such an occasion arises and there

is a plain and direct interference with his profits, the manufacturer does not think of the word plant as embracing anything beside his own manufacturing property. But just as the manufacturer has to have buildings and machinery, so does he have to have workers. The workers, in their turn, have to have another plant quite outside the plant in which they work. They have to have a plant where they may live, rear families, get some amusement, and a little enjoyment out of life. They, in their turn, do not feel the connection between this plant of theirs, which is represented by houses, streets, backyards, refuse heaps, stores, "movies," churches, street railways, telegraph poles, bill-boards, and the like, to the plant in which they work, and the economic system of which they are a part. They do not understand that the cost of supporting both the plant in which they live and the plant in which they work, has to be paid out of their pockets. It has to be paid with money, it is true, and the only way they can get any money is by working for it. But the workman, when he is confronted with a demand upon him for more money as a payment for his right to occupy the plant where he lives, for the food he eats, the clothes he wears, does not understand

where the extra payment goes. Somehow or other, he feels that things have gone up, that's all. "Gone up" represents a pretty regular condition, and he knows that the only remedy is for his wages to go up likewise.

But when the manufacturer receives the demand for higher wages, he, too, fails to realize that they are asked for because the cost of operating the plant outside his works has gone up. He still does not see the connection between the two plants. He still fails to realize that the other plant is in reality a part of his plant, that he is just as much affected by what happens to it as he is affected by what happens to his own plant. He still fails to perceive that the cost of carrying on the plant where his workers live has gone up because the non-producers, in the shape of land-owners, have again slipped their hands into the pockets of his workmen. They have arranged to charge a little more for the privilege of living on the land, and of doing business on the land. In other words, they are watering the stock of the manufacturer's plant by making it cost more for people to live. You cannot tear the two plants apart — only most manufacturers do not yet realize it.

These things do not happen to all, but scarcely an employer of any size has failed to pass through the experience. As a whole, manufacturing, including industry of all kinds and agriculture as well, has had a steadily increasing tribute wrung from it, without ever suspecting how it was done, ever since the country began to have any agriculture or any industry. This, again, is the real meaning of the housing problem. It means that houses are a part of the manufacturer's plant. It means that they are an indispensable part of our national plant and industrial life. It means that just as they are given over to speculation, that just as every fresh building operation is used to increase the cost of unimproved land, that just as a housing shortage is used to raise rents, that just as every town or municipal undertaking is the signal for building site values to be raised, that just as the men who own land and produce absolutely nothing and render no service of any kind are allowed to demand and collect a continually increasing dividend from those who invest their capital in industry and those who sell their labor in industry, then just so long is there no possible way of solving the housing problem, nor, by the same token, is there any way of ever

paying a higher wage, a wage that will buy more things not only now, but five years from now, or twenty years in the future. That is the amazing fact which stares us in the face. For, how can we ever pay a higher wage, when someone who never works comes along and demands every cent of the increase, sooner or later. That is just what happens. If a workman is receiving $15.00 a week, and he gets a raise to $16.00, of what avail is the raise when the dollar advance he secures, and generally a few cents more along with it, are sniped away from him by an increased cost of living? And for what is the increase demanded? When science and mechanics both have steadily operated to increase the amount of any one thing that an individual can produce, whether it be automobiles or onions, why do those things keep on costing more and more?

Does it not seem strange that intelligent business men will not see where the trouble lies? It may not seem so strange that working men do not see, and that they are continually striving for a higher wage and shorter hours. Their leaders do not see. We have very few real economists among the ranks of our labor leaders, — very few, indeed. It is our misfortune to have few such

leaders as there are in England, where it is not easy to find a manufacturer who is as well grounded in the science of economics as are some of the men who lead the workers. There, it is evident that the truth has been seen. Here, it is palpable that the truth, if it has been seen, is carefully shrouded in a mask of platitudes, such as "community of interest," "public service," "a better world," "a fairer share," "full dinner pail," and the like. All of these things mean nothing and the people who utter them can neither translate them into understandable words, nor can they point the way to any realization of the vague moralities they think they have in mind. The plain fact is, that as long as the cost of living on the surface of the earth is raised faster than the profits from production can earn that extra cost, there is no way of paying a higher wage. It cannot be done, and those who seek some way of doing it by setting up all kinds of instruments for workmen's committees, shop committees, conciliation boards, and such like, are bringing us no nearer to a solution of the difficulty.

It is true that organized labor has secured higher wages for a small minority of workers, but this has only been done by permitting the manufacturer, who paid the

higher wage, to charge it back on his products. Thus the higher wage so paid was paid, in reality, by the general consumer, in the form of an increased cost of living. But, when all workers, whether of hand or brain, organize to secure a higher wage, as they have been doing more and more of late, the system bursts. It cannot stand up. It is built on a rotten foundation, and no effort to patch it will avail for long. There must be a new foundation — a new and fairer method of dividing the profits of industry, — and of eliminating the sly thieving of the non-producer.

The statement of the Miners' Federation of England, when it made its now famous demand for "a 30% increase in wages, a 40-hour week, and nationalization of the mines," indicates the economic progress which the workers of England have made. "This is not a demand to secure for us and our families a decent living condition and a relief from the intolerable privations and hardships which we have had to bear," said the miners. "We know very well that we might negotiate with our present employers and get a higher wage and a shorter week, but we also know perfectly well that whatever increase we obtained in our wages, would be added to

the cost of coal. In turn, that added cost of coal would be added by all the other manufacturers who make the things we need, and so, in a very short while, our increased wages would buy us no more than our present wage will buy, and probably a little less. We know this from long experience. Therefore, we ask for nationalization of the mines. We believe that if the mines were operated in the interest of the country as a whole, if competition were suppressed, if distribution were arranged along natural lines, and if the right labor-saving machinery were introduced, there could be saved enough in the mining and distribution of coal to more than pay the wage increase we ask. Then we would have secured a real wage raise, for there would be no increase in the cost of coal. We could preserve the increase we had won, because others would not raise their prices, and we could buy more with our wage, and continue to buy more with it."

This is all so simple that it seems scarcely necessary to add more. Of course it is true that in actual fact the miners wage increase would slowly lose some of its added purchasing power unless other industries were put on the same basis. Coal, though a big factor in industry, is not the only item, and before

there can be any real raise in wages such as will actually give and preserve to the worker an increased purchasing power, some way must be found to tie the hands of the non-producers who are today well entrenched in all lands, and who have the right by law, the sanction by tradition, the power by occupancy and possession, to keep on adding an increased charge for the use of land.

No assertion is made that the increments on land are the only unearned increments; but the others are small in comparison, although quite aside from those which may result from cornered markets, failure of crops, secret price cutting, and other similar devices, there are also the huge increments from natural resources lying below the surface of the earth. During the month of May, 1919, in England, when the Coal Commission was taking testimony in order to determine how the coal mines of England should be operated in the future (its previous report having utterly condemned the system of the past) it was made clear that the Marquis of Bute, for example, held 128,528 acres of land, of which 48,878 acres carried proved mineral rights, and from which the annual royalties on coal mined were about $575,000. Under examination

it was also pointed out that King Edward VI was between 10 and 14 years of age when he signed the document under which there was conferred upon Sir William Herbert, himself an executor of the will of Henry VIII, the huge grant of land in question. "Do you know," said Mr. Hodges to the Marquis of Bute, "it has been suggested that Sir William Herbert granted the lands to himself, using the boy king's name in order to enrich himself, and that he was charged with equal rapacity in regard to large areas in other parts of England, with the result that literally millions of money has been paid in revenue to those who have inherited that property as the outcome of 'that gigantic fraud?' "

Other tremendous holdings, with correspondingly tremendous revenues were revealed, but they are mentioned here only in connection with the problem of unearned increments and their relation to wage increases and housing. In respect to the latter, the housing conditions in the mining centers of the world are too well known to require comment. The lives of the men below ground, under conditions that would appall the stoutest heart, were it not beating in the breast of a race that has been forced to ac-

cept these conditions as the price of its existence, are in no sense less pleasurable than the lives of the wives and children who inhabit the slums made necessary through the pilfering of their wage by the non-producers. It is not for nothing that the miners of England have been studying their problem as one of applied economics, and not as one that revolved about a senseless struggle for the higher wage that has been discovered to be a mirage — a rainbow, with no pot of gold at its end, but only the barren result of a futile struggle.

Everywhere, throughout the world, where Governments have struggled with the housing problem, they have gradually come to see that there was no solution until some way of land control could be devised. In Queensland, for example, Mr. Ryan testifying before the Coal Commission of England in May, 1919, with respect to the state operation of mines in that province of Australia, stated that the land owned by the State could no longer be sold to an individual. It may only be leased, the Crown retaining the title, and thereby enjoying the benefit that may accrue through any increases in value.

In other parts of Australia, and in New Zealand, the State owns large areas of land that cannot be diverted to private holders.

The operation of the housing law is so simple in New Zealand that any workman of good character can make an application at any post-office for a loan with which to build a house. He pays less than two dollars on filing the application, and that is the only fee he has to pay. If he is adjudged a worthy risk, the State makes the loan at low interest. If he has no land, the State will rent him land, and, in some areas, will sell it to him.

On this point it again should be made clear that there is no way of preventing the use value of land from rising. Neither is it harmful that it should rise. Wherever men congregate, more business is to be done. The more business that can be transacted on a given piece of land, the more the user of that land can afford to pay for its use. The harm lies in the collection of the charge by an individual, who does nothing, produces nothing, adds nothing, but who by sheer right of possession is entitled to collect a use charge for that land, and to raise that use charge just as fast and just as high as the traffic will bear. The problem before the world is to change this system. It lies at the bottom of most of the social and economic problems with which men are continually wrestling.

VI

WHAT ARE THE POSSIBLE WAYS OUT OF THE DILEMMA IN HOUSING?

AT THIS moment, all over the United States, amateur financiers and housing reformers are clamoring for Government aid in housing. Many towns and cities have allowed themselves to drift into such a state that they can see no way out of the situation. Money is not available for housing, because building costs are high, the future is uncertain, and even with a strong demand for housing and the possibility of high rents, private capital is still reluctant to make the venture. Institutions that commonly lend money on this kind of enterprise appear to be equally loath to part with their funds. The real answer probably lies in the fact that there has come to be a very general understanding of the fact that without an inflation of rental values such as would be

extortionate, there is now no way known by which good houses can be built to rent for a small sum and pay a profit on the investment. When all is said and done, this is the secret that has finally wormed its way out. England discovered it a long time ago, and as has already been explained, prefers to subsidize the building of houses rather than run the risk of popular upheaval, if the houses are not provided, or if speculators are allowed to take control of the situation and try to put the workers of England back into the old slums from which so many of them came forth to fight in the war, or into new slums to be built cheaply and rented at high rates.

But in view of the fact that land in our cities has reached a figure, for house building sites, such as is prohibitive for houses for low-wage or low-salary workers, what can be done?

One suggested way, as has been said, is for the State to advance sums of money at low rates of interest. The experience of other countries is pointed out, in that connection, but those who point it out do not allude to the whole of the experience. They make out a case for Government loans, which can easily be done, but unless such

loans are accompanied with intelligent legislation providing for land control, the money lent by the Government (Federal, State or Municipal) merely serves to alleviate the temporary condition. In the end, the vicious circle is travelled with a rise in land values to complete it and thus block further progress. But a temporary alleviation may be necessary. It may be absolutely imperative, in which case little can be done except to satisfy the immediate need for houses.

But even in so doing, the State should look ahead and see what the result is likely to be. Take New York City, for example. Suppose that it were provided with anywhere from $10,000,000 to $20,000,000 at low rate of interest, which could be used to build houses. Even to achieve any temporary benefit, it would be necessary to find cheap land, to begin with, and it is by no means certain that even on cheap land it would be possible to build houses or apartments, within the rental reach of thousands of the workers of New York City. It is almost certain that if decent houses were built, with anything approaching a fair measure of light, air, and convenience, that somebody would lose money on the trans-

action. Our situation is no better than England's. We are in the same boat, as far as house-building is concerned.

If the State would agree to write off any loss, as represented by the difference between the cost of the houses as built today and their value in five years under the then existing conditions, very likely there would be a rush to use the State's funds. The City of New York might make such an agreement, as a last resort. Other cities may be driven to it before we are out of the present dilemma, for every city of any size in the United States is in about the same predicament, and the shortage of houses is national in scope.

We have thousands of houses that ought to be scrapped, immediately, as unfit for human habitation. We are under-built, in houses, as a result of the building decline previous to and during the war. In some cases, local conditions are more favorable than in others, and then it is possible to stimulate house-building. In other places, it is impossible to stimulate such building, except by organized effort. As it is always doubtful whether money can be secured from the State, even after long delay, then it is sometimes proposed that wealthy men

should form a syndicate to provide the funds. But here again, there is a failure to recognize the fact that such action will provide only a temporary relief, and a short-lived one at that, although a private syndicate might exercise a more beneficial result than the State, for it could engage upon a transaction on a very large scale, if it were so minded, without waiting for the enactment of legislation.

Suppose, for example, that the City of New York could acquire all the vacant land within its area. The City of New York is used by way of illustration only; the example in mind is practicable for every city, if it has or can obtain the power to buy and hold for business or residential purposes. But if New York City could do such a thing, then it could perhaps extricate itself from its present situation. Naturally, it would have to acquire the land at a fair valuation and not at an inflated price, but the interest charge for carrying it would be more than paid by the rise in value of the land. The rise for residential purposes ought to be very little; the rise for business purposes would be sure and steady, and the extra amount produced by the rental of such land would carry the financial burden of whatever loan

was necessary in order to make the original purchase.

Then the City of New York would have absolute control of the housing problem within its own area. That would not be enough, eventually, and a logical law would permit the acquisition of land outside the city area, as well. If such land can be taken for the purpose of a water supply or a sewage plant, there would seem to be no valid reason why it could not be taken for conserving humans. By such a process, it might soon be apparent that the expenditures for jails, hospitals, sanitariums and such makeshift arrangements were decreasing, and that the City of New York and the State of New York had really started a movement that was business-like in the last degree. Instead of plunging themselves deeper and deeper in debt every year, in providing for the human by-products of their slums, they would use the money to stop the increasing flow of such by-products. Today, millions go for the broken, diseased and cast-off; but only a very little goes to decreasing the number of these. But with the increased value of land flowing back into the treasury of the city or the State, the housing problem would be ended forever. It will never be ended,

but will grow steadily worse, until the use value of land is given back to those who create it.

But it is beyond the dreams of the most visionary idealist that the City of New York will do such a thing, or that the State of New York would either do it itself or allow the city to do it. That is the reason why it might be possible for a group of wealthy interests to do what the State cannot or will not do, but what must be done by somebody. If it sounds like a Bold step, then it may be well to remember that there are many Bold things that begin with a B, only some of them are bad. We do not wish to settle the housing problem, and others, by the bad method, if it can be avoided. But the solution must be based upon a clear understanding of the economics of land use and tenure, and if a group of interests could be given such an understanding and could see the wisdom of trying to forestall any such condition as now throttles Europe, they could acquire vast areas of land, on the agreement that the returns to themselves or the corporation they formed should in no case be more than 5%. The new English Housing Bill does provide that such groups may limit their dividends to not more than 6%, but the less the divi-

dend the better the result in the long run, although it is not a point about which to quibble.

Such a corporation would aim at two things: To preserve the value of building sites as near a non-fluctuating basis as possible, and to make the use value of land wanted for business purposes help pay the taxes and the cost of the annual interest charge for carrying the land. Its members would be rendering a service to their city the value of which is beyond calculation. They would perhaps be able to save it from a graver peril than that which now confronts it, for it is certain that if our cities become so top-heavy and unworkable that the cost of living and doing business there increases at a greater proportionate rate than elsewhere, such cities will cease to grow.

There can be no gainsaying the fact that it would be to the interest of the whole country if our cities did cease to grow as they are at present growing. We do not want larger cities, but better cities, and better cities we shall undoubtedly get, in some manner. But the process of stopping further centralization and of setting up decentralization ought to be a gradual one. There should be time for readjustments, and no

violent upsetting of many things that cannot be changed except gradually.

But inasmuch as it is very probable that no group of financial interests will care to engage upon such a transaction, foregoing the rich profits from the rise in land values, — profits which are so traditionally accepted as the most luscious and juicy of all — what is the next thing to be done? Take some of the population out of New York City, of course!

Already, there are manufacturers and groups of manufacturers in New York City and in other large cities, who are asking themselves whether that is not the answer.

In England, one huge industry is already at work upon plans for the establishment of six new plants removed from existing large industrial centers. The management have seen that only by an entirely new conception of industry, can their business be assured of permanence. Their intention is to build several complete plants, including the towns, which will be operated not by the manufacturers, but by the tenants.

The manufacturer simply lends the money with which to buy the land and build the town, taking only a nominal rate of interest for his loan. The tenants, paying back the

loan as fast as they can, become the ultimate communal owners of the underlying land on which the town is built. In some cases the loan for the land is financed separately from the loans for building. There are many variations of plan, as to finance and administration, but they are all based upon the principle of securing the rise in the use value of land for those who create it, as is now the case in the Garden Cities and the Co-partnership Tenants undertakings.

What does this mean? It means that it will be very difficult for any outside interest to be watering the capital stock of the manufacturers. It means that they will have established a living plant for their workers where values will be highly stabilized, which means in turn, that wages will be highly stabilized. It means that by the application of engineering and architectural skill, these communities will be the most pleasant and enjoyable to be found anywhere in England. They will have central heat from the works plant, and central hot-water distribution likewise. They will have all the conveniences that go with the best kind of modern apartment, and will have a garden as well, with open space for the children and the boys and girls, and even for the fathers and

mothers, on evenings and holidays. The communities will in no sense be paternalistic, and nobody in them will own any land or any house. Yet the right to live there will be conferred, as long as one pays the annual rental and behaves in a decent and orderly manner. No one can make any money out of land speculation, and at the same time, no one can lose any. Rents, instead of being raised, will likely be lowered.

Why are not the manufacturers in all parts of the United States alive to the benefits to be derived from this kind of a plant, where the non-producers are largely extinguished and where the process of production earns a profit which can be divided between employer and employee, without having a toll taken away from it by the land-sniping process? That is the answer that many manufacturers in New York can make to the housing problem. It is the answer that many of them will have to make, in the future, for the cost of doing business in New York City is not going to decline — at least not until there is a complete reorganization of taxation and land tenure, and until a more rigorous zoning law takes the place of the present compromise made in the interest of realty interests. It is true that the present zoning

law does aim at decreasing land speculation and the disasters that follow, by restricting the purposes for which land may be used or occupied, but what is needed is a new zoning law based upon something else beside the giving away of land values; until such a law is enacted no great change is possible, either in housing or anything else.

Our states could do all of these things that have been proposed as measures looking toward the setting up of coöperatively owned communities and the control of land. Other countries have done it, and more are preparing to do it, yet one hesitates to believe that any such intelligent action can be had in this country, at the present time, and with our present political system. We shall have to wait and pass through all the experiences of the others before the eyes of the country will be opened, and State action be made possible, for it is, after all, a national consciousness that must be awakened.

England's method of granting a direct subsidy from the national treasury is not the only wrong way. The Special Housing Committee of the Merchants' Association of New York in reporting the result of their study of the housing question in New York City, lay special emphasis on the fact that the

way to set the building of houses in motion is to provide funds. The way to provide funds, says the Committee, is to provide that the holder of mortgages be exempted "from income tax and surtaxes of interest on a certain amount of mortgage holdings in any taxpayer's hands, say, $40,000. This is a well-known and perfectly legitimate inducement to capital."

The report concludes with a resolution that Congress be immediately urged to grant such relief.

To many it may not appear that this form of exemption is "perfectly legitimate" except that anything is legitimate when the need is so great that special favors no longer appear illegitimate. But it would have been fairer if the Committee in question had concluded with an explanation along these lines:

"The housing situation in New York City is desperate and demands relief. We believe that relief can be obtained by freeing capital for building loans. In order to do this we propose that capital lent for building be exempted from certain Federal taxes. It may not be perfectly fair to provide a special exemption for a certain class, but the necessity is too urgent to wait. Something must be done, and we believe that this exemption

of such capital from taxes will make it possible to build more houses. At the same time, we call the attention of the people of New York City to the fact that what we are proposing is merely a temporary relief. We have not offered a permanent cure, and it is very likely that under our system of giving away land values to private owners, the amount of money raised for building by such tax exemptions will only have the effect of raising land values still higher, so that in the end we shall be worse off than we are now, when it comes to the next acute attack of high rents and shortage of houses. But as you are not at present ready to change the present system of land ownership and taxation, and as it would take some time to do it, we think you had better accept our suggestion as a measure of relief for this particular case. Only, we counsel you to change the present system of giving away land values, very quickly, for until you do it, there can be no permanent relief for the housing situation in New York City."

It is true that the difficulty of dealing with this question is greater here than in England. There, as has already been stated, land-ownership is never dreamed of by the average workman, and indeed but by only a

few of the favored class. As a consequence, the scheme of co-partnership in house and land ownership makes a strong appeal, for it is, when all is said and done, a step in advance. It is at least a part ownership where no ownership was looked for. In this country, on the contrary, land and house ownership are the usual aspiration of a great majority of workmen, and of all the salaried class. Thus it is that copartnership in home owning seems a step backward. It is part ownership where whole ownership was looked for. Against this very obvious psychology, it may be difficult to contend, but not impossible. The economics of the question can be so simply demonstrated, that it will not take long for men to see the benefits to be derived. Particularly will the proposal seem favorable, if it can be pointed out that there are no paternalistic features connected with the plan, and that there is to be a really democratic form of administration with distinct economic benefits as time goes on.

There are various methods of starting and of administering a co-partnership scheme, but the history of them is easily available for whoever cares to look into the matter. Different customs may sanction different methods, but in general, any beginning must de-

pend upon a group of men who have the vision to see that from a limited dividend on a land-holding plan there can be derived immeasurable benefits through the stabilization of values, the stabilization of wages, the contentment of workers, and the great degree of comfort and convenience that are made possible in this way, and which, indeed, cannot be made possible in any other way to those who earn only a small or moderate wage.

The battle is between the Producer and the Non-Producer. Two forces are arrayed against each other and only one can survive. It must be Production, for Non-Production cannot live except upon the profits of the body from which it sucks the blood. And those who are engaged in Production cannot play the game at both ends. They cannot be taking money and profits through non-production, and through production as well. The temptation is great, and even irresistible to most men, but the Goose that lays the Golden Eggs is Production, no matter in what form it may be. The enemy that is bleeding the Goose to death is non-production, no matter in what form it may be — and of all the forces under which non-production exploits its trade, none drains

away the life-blood so swiftly and so surely as the power of charging humanity more and more each year for the right to use the surface of the earth.

The housing problem is thus a land problem. It never was anything else. Even when humans were herded in walled cities where over-crowding was unavoidable, and escape was impossible, as long as the land went to him who was strongest in getting and holding it, the problem was still to free the use of land to men. Then it was to free it from organized Force in the shape of marauders armed with weapons to kill; today it is to free it from another and even more powerful force — the Force of Ignorance enthroned in law and tradition, solemnly worshiped by the bulk of men, even when persistence in the belief throws the whole world into a convulsion and demands the sacrifice of millions of lives.

How to use land in the interest and for the benefit of mankind is the greatest fundamental physical problem before the whole world.

VII

THE GENERAL PROBLEM OF LAND CONTROL

THROUGHOUT the preceding chapters, the emphasis in the so-called housing problem has been laid upon its relation to industry, and primarily upon workers who are dependent upon labor of the hands. But the problem is equally acute in its relation to those who work with their brains. Indeed, it may be said that such workers find themselves in an even more difficult position, for they are largely unorganized, and therefore are unable to gain wage increases through concerted action. In the city of Washington, for example, the problem of brain-workers offers a very pertinent commentary upon the effect of the pyramiding system on house rentals. Washington is a city of brain-workers, essentially, for it possesses few industries, and even though rents rose, during the war period, to an unprecedented degree, and even though

this was due to the rapid influx of several hundred thousand war-workers, the fact remains that Washington had reached a point, before the war, where the cost of living had passed beyond the range of income of the average employee in Government service. This is conclusively shown by the investigations of the Department of Labor, and is only another example of what unrestricted speculation in land will do to rentals, whether the renters be hand-workers or brain workers.

Yet the plan of Washington is famous, in many respects, deservedly so. But when it was prepared by Major L'Enfant, planning had not advanced to include the social requirements of a community. It still remained an infant art devoted to the beautiful and the grandiose, although the L'Enfant plan also provided excellently well for traffic routes and transportation. But it made no provision whatever for the physical growth of the city, beyond laying out the main thoroughfares and indicating the residential streets of the future to a limited extent. The question of housing, for example, probably never entered into the calculations of L'Enfant, and as the years went by, the growing pains of Washington were

left to the delicate ministrations of the real estate speculators.

The truth is that the L'Enfant plan lacked the one essential element which would have made Washington what today it is not — a completely beautiful city. That it is impressive beyond other American cities, is not to be gainsaid, but one cannot escape a feeling amounting almost to indignation, when one surveys the mars and scars wrought upon the city by unrestricted speculation. It is not that the famous Washington alleys are the equal of any slum sections in the country, nor that the Government, instead of adopting a carefully thought out plan for public buildings to provide for the constant increase of the government's business, has encouraged the erection of a series of unsightly buildings, by speculators, for the use of the Departments at exorbitant annual charges. The truth is, of course, that little political prestige is to be gained by Senators and Congressmen who vote money for the necessities of Washington, and also that the real estate owners have now a vital interest in seeing that the Government builds as few buildings as possible. As the whole rental values of the business section are largely dependent upon the huge sums spent

annually by the various departments for rents, the erection of suitable quarters by the Government would throw on the market, immediately they were vacated by the Government, a considerable quantity of old buildings. As they could not be absorbed in a city where there is little industry or business, the whole rental basis of the business section would be disturbed. Hence the great difficulty of securing appropriations from Congress for the needed buildings, for the evidence seems conclusive that the real estate interests of Washington know how to protect themselves. But this is no indictment of persons; again and again it must be remembered that it is a system which compels these things.

There are aggravating factors to this situation introduced by the war and the necessity for more buildings of a temporary nature, strewn all over the city, but the whole experience indicates that L'Enfant either ignored the necessity of providing some measure of land control, or else, admitting that he urged it, was unable to secure its adoption. It matters little who or what was responsible for the omission. The result has been to impose an almost insurmountable financial obstacle to the realization of Wash-

ington's needs as a capital city. Wherever the Government turns in its efforts to provide for needed buildings, or to effect fragmentary additions to the general esthetic scheme, it is met by a rolled-up billow of land values before which Congress recoils in dismay. Wherever the city seeks to spread in order to accommodate its fast increasing population, it too is confronted with the same barrier. The result is that the residential districts stretch out in hopelessly commonplace rows of pretentious architectural sham, with a constantly increasing rental cost. So far as providing for the real and vital needs of a growing community, the L'Enfant plan has contributed nothing except a system of thoroughfares and charming parks.

Already there is an appeal to Congress for a zoning law to limit the use and occupancy of land and to restrict the height of buildings. Downtown Washington has been sadly scarred by the intrusion of high buildings and a jagged and ugly sky line, a tendency which has been much encouraged by the Government's hand-to-mouth policy of renting buildings instead of building them. As for the problem of housing in Washington, it may be said that the Gov-

ernment will some day have to interfere. It has done so, temporarily, under the stress of war. Later on, when the speculators have carried their ruinous policy to the bitter end, the Government will be obliged to come to the rescue.* But the question of how to provide houses for the brain-workers in the Departments at Washington is the same question for which an answer is sought all over the country, and in this connection we must prepare to reckon with a new element in the pyramid.

As the brain-workers of England are beginning to organize, so also are the brain-workers of America. Organization is the only possible method of relief in sight, and yet, in truth, it only betokens further complications and another acceleration of the pyramiding system. Hitherto, as already has been pointed out, the additions to wages have largely been secured by the organized effort of hand workers. In the near future, we shall see the brain-workers forced to organize on a larger scale, with the result that their organized demand for higher wages will be added to the demands of the hand-workers. Conceded by the employers, as the demand will have to be, since the brain-

* *See* Appendix B.

workers are now finding the cost of living beyond their incomes, whatever addition to their salaries they obtain will, in its turn, be projected into the pyramiding system. This will mean a further rise in the cost of living, and thus we shall continue to witness wages (or salaries) and the cost of living in an even more rapid and quite as futile race, the first to overtake the second, the second to elude the first.

There may be fluctuations. Different cities may be affected to a different degree. Different parts of the country may have an acute attack of pyramiding, while in others it may be slow, or even imperceptible. On the whole, it will go on until another internal war, born out of the hopeless attempts to bring any semblance of economic order out of the present system, again forces another great and rapid increase of prices with another consequent reduction of the purchasing power of the dollar.

For, after all, what are the too oft recurring wars, except blind efforts to change certain economic conditions or relationships? They may be inspired by the controlling classes of one or more countries, as a means to certain industrial or financial ends connected with trading rights, land holdings,

mining privileges, or any of the benefits for which men struggle. They may even be inspired, as so many now believe to have been the case in Germany, by an economic system which had been so built up around the theory of armed force that the cost of maintaining that armed force had risen to a point where it was necessary to convert the military machine into an active instrument that should produce profits. What were the profits to be? Indemnities, in one case, or market privileges in another. It is idle to assign the theory of war to lust for power alone; power is only valuable as it can be used to benefit those who possess it, and a war for more power is in reality a war for more profits through the control of power.

In other words, the economic system of Germany had reached a point where it was threatened with bankruptcy, because it could not earn enough to keep up the machinery of war upon the possession of which it believed its future to depend. I well remember the morning after the ultimatum was delivered to Servia by Austria, for I spent the whole of that day, and most of the following night, travelling from Lyons in France to Cologne in Germany. I shared a carriage with a young German whose father oper-

ated a large works at Dusseldorf. This young man was on his way home from an extensive trip to North and South America, where he had been seeking a market for heavy castings. Now of all things difficult to export, heavy castings must stand at about the top of the list, so I inquired why he had been led to hope that he might find a market so far away.

His answer was that it was a desperate chance, but that the industrial situation in Germany was in an intolerable condition. The war machine was strangling industry, first by withdrawing so many capable men from the ranks of production and thrusting the burden of their support on the producers, and second by the rapidly increasing cost of both building and maintaining the military machine. Germany was in the grip of the pyramiding system, like other countries, and she had experienced a sharp growth of the pyramid on account of her tremendous war expenditures, which were greater than her production could absorb. She had been driven to levying a tax on capital, in her frantic effort to strike a balance.

When I asked what the ultimatum to Servia meant, he said that he feared it meant war. But in answer to my question as to

what effect the war would have on Germany he expressed the conviction that German industry was headed toward bankruptcy no matter what happened. Even if there were no war, they could not keep on and meet their obligations, and if there were, he saw no chance for Germany to emerge victorious and able to exact an indemnity that would both pay the war cost and help to meet the great national deficit between the profits of industry and the cost of keeping on with an even greater war machine. He even went so far as to record his belief that an indemnity, even if obtainable by Germany, would not help the situation, since he had been convinced by "The Great Illusion," a copy of which he had in his bag, that indemnities could not be paid by one country alone without exacting a tax on the whole international financial structure. It was a memorable journey and our conversation indicated many underlying factors, as a cause of the war, which have since come to light.

Again we have seen the revolutions of the past. Are they not comparable to the moment when the bees organize their attack and put an end to the drones? Are not the great revolutions of the past very much like the battle in the hive? Are they not the

vague and uncertain efforts of the human producers to throw off the burden of the non-producers? The bees have learned that a rational existence is impossible if the non-producers are allowed to exist. The fundamental aspects of human revolutions are not understood either by those who rebel or those who defend, yet underneath all lies a half-formed conviction on the part of the revolutionists, not yet thought out or reduced to a finality, but rightly connected with a sense of the injustice of the non-producer. That is why revolutions are never successful, even when they succeed. The basis of a new order has not been thought out. One group simply seeks to supplant another. Class is arrayed against class, with one side struggling vainly to upset a system it does not understand, and the other side seeking to defend a system which it will not inquire into, and which it will fight to continue independent of the accumulated evidence of the centuries, all bearing witness to the fact that the system cannot endure. When either side learns the true nature of the system, there may be hope for a changed order; there certainly can be none in blind struggling. Indeed, of all things to be averted, revolution is the most important. Until there has been reached a

general understanding of the nature of our economic system, no revolution could succeed, even if it were successful in overthrowing a government. Those who inspire and conduct it have not thought out the better order they wish to set up, and thus the waste of life and treasure would be wholly in vain. In education and an understanding of economics lies the only hope for averting the dissasters that now loom ahead like spectres of a past that will not die until a new order is born.

The fact that the controlling class does realize that something is vitally wrong is evidenced, here and there, by all sorts of schemes put forward for changing the system. For instance, certain economists propose that the gold standard should be superseded by a standard based on the value of commodities. It is not easy to see how this could be done in a simple manner, but even though it could, would it help to put an end to pyramiding? Does not the difficulty begin with the struggle of the Non-producers to take their toll from the Producers? Every increase in the cost of living affects the Non-producer as much as it does the Producer. The Non-producer, who derives his income from land rents or no matter what source,

let us say, is accustomed to a certain scale of life. On the whole, he or she probably lives very much above the average. If prices of food and clothing go up, the Non-producer must increase his income, or else make a cut in his living expenses. Naturally he prefers the former course, and since he is in a position where he can take action, he does so, and if his income is from land, he merely raises the rental charge on the property he owns. Beside that, the number of Non-producers is increasing proportionately faster than the Producers, so that there is a greater and greater burden continually piling up on the back of the producer. Again comes the National Government, the State, the County, the Town. The cost of all things goes up for them as well. Result, higher taxation, and the debt limit reached in many cities and towns. Likewise a shortage of school-buildings, street improvements, and all the factors that go to make up the necessities and amenities of community life. Demand for more hospitals, jails, sanitaria, and other buildings in which to take care of the human by-products that are crushed under the pyramid. It is all a mad whirl, without rhyme or reason. Communities give away their land increments to private individuals, who, in

their turn lend the money so obtained back to the community, at interest, in order to make improvements which again raise the site value of adjoining land. Thus improvements paid for with borrowed money are paid for twice over, very frequently, since both the capital and the interest charge have to be paid by the community, which is continuously hanging a heavier capitalization around its neck. The vicious circle has but one possible issue and that is the extinction of the Non-producing private landowner, and the complete death of the tradition that a chosen few shall possess the unassailable right to collect an increasing annual rental from human beings for the right to occupy the surface of the earth. It is not a question of class against class, for it makes no difference who possesses the right. It is a question of applied economics and should be studied without prejudice.

Under the stress of the disasters caused by the unregulated use of land and unrestricted land speculation, City-planning, or Town-planning as it is often called, has appeared in the United States. How many cities have passed through the dream of making their community over, of bringing order out of chaos, of correcting the hideous mistakes

that have been permitted through the untrammelled private use of land! Throughout the country there is a keen searching for some method of undoing the past, and yet how many city plans are today languishing in the archives of the city hall! How many professional city planners have collected large sums for advice which was worthless, because the plan could never be carried out under the present system of land tenure and control? No city planning scheme is worth the paper on which it is drawn, unless it can be accompanied by a plan for land-control. If it could be carried out, under some exceptionally favorable conditions without land control, it would only add a huge problem in taxation to the town that carried it out. If the use value of the land improved by a city plan is allowed to be appropriated by individuals, then the city that permits such an appropriation is merely trying to lift itself out of debt by its boot-straps. The ever increasing demand for improvements and the cost of maintenance cannot be met except by a tax levy that would be rejected by every person in the community. Cities cannot tax themselves much beyond the average that obtains, for there is competition in taxation as in everything else. Too high

taxes will drive away certain wealthy taxpayers.

Thus the principle of discounting taxes is adopted and money is borrowed. No more vicious system could possibly be devised than this plan of continually eating out of the pantry of the future. It is all a part of the pyramiding method that has our commerce and industry so firmly in its grip that we cannot escape wars and more wars, in our blind and vain struggle to perpetuate a system that cannot stand without a steady tribute to Death, whether on the fields of war, or in the fields of industry itself. Does anyone now pretend that industrial and commercial competition are not in themselves war, as well as the seeds of the armed war that follows?

The experiences of the Garden City movement in England, and with the so-called Copartnership Tenants, indicates beyond dispute that the only method of relief in the contest of wages versus house rentals, is the system whereby the use value of land reverts to the benefit of those who live and work on it. There are no Non-producers in these communities, except those who lend the original capital necessary to start the undertaking. But it is lent at a low rate of interest,

and when it has been repaid, the properties belong to those who live in the community. Thus as the town grows, and more people come there, and as more industries or more shops and stores find it profitable to locate there, the use value of the land for those industries and businesses rises, and yields a profit to the community. Theoretically, the community might keep the use value of the land down, and take its profit in a lower cost of food and clothing, for example, but this would hardly be practical until the number of these communities had risen to a point where the system of coöperative ownership was comparatively general throughout the nation.

But such a condition is of course still a long way off, although Australia and New Zealand have initiated land reforms of a far-reaching nature. Germany, through land purchase by her towns and through zoning laws, had advanced to a considerable degree in an intelligent effort directed at the extinguishment of non-producing land-holders. Even New York City, as referred to in the preceding chapter, had made a desultory movement toward putting an end to certain forms of destructive speculation, for she had adopted the system of zoning or re-

stricting the use and occupancy of land within her limits. Slowly and very painfully it seems as though some realization of the actual nature of the disease was becoming more and more manifest, although those who endeavor to point it out are generally accused of belonging to that particularly despised class who advocate the abolition of private property. As a matter of fact, land is not private property. It belongs to the nation and a deed of conveyance is in reality nothing but a franchise to hold. This point was made clear in the testimony taken before the Coal Commission of England, at the session of May 6th, 1919, when learned legal authorities such as Coke and Blackstone were cited to the effect that land in England belongs to the Crown and is held by individuals merely as tenement. Thus any measure designed to prevent the private appropriation of revenues from land in payment for the privilege to use it, is not in any sense an act directed at the abolition of private property. It is only an effort to put an end to a system that cannot continue without involving civilization in a series of disasters, the end of which few intelligent men like to think about. If this point could be made clear, and if the non-producing class could

be deprived of their claim that "Private property is being attacked!" which they always use as a cry with which to fight every attempt to secure a better and fairer and more economic system of land use and tenure, it might be possible in the United States to initiate a movement toward putting an end to the intolerable system under which we at present struggle.

But stating the problem is one thing and offering a remedy is another. How is it possible to change a system which touches so many people, which is looked upon as good and honorable, around which our whole tradition of law is built, and the changing of which appears to demand the sacrifice of a principle that is looked upon as the one fixed thing on earth? Those who understand it and wish to make others understand, and who know that a true and just prosperity is not possible until the system is changed; who also believe that there is no way out of militarism and navalism and their recurring paroxysms of death and destruction, may well confess to a feeling of hopelessness as they stand before a problem so difficult, so complex, so devoid of any point of attack that attack seems hopeless. Men and women are willing to talk housing, to write about hous-

ing, to advocate better housing, and yet when the fundamental difficulty is pointed out and the part played by land is revealed, there comes a hopeless sigh. And yet the signs are multiplying that points of attack may be discovered. The acute period is at hand, for the cost of our mistakes has piled up into such a monumental sum, that we shall be driven to study the process by which we have permitted it. Sheer economic wisdom will some day point the way to the many as it now does to the few, and then we shall begin gradually to make a basic change in our system. The housing problem may well prove to be the point of attack, for it vitally concerns one of the two indispensable necessities of life.

In respect to the subject of planning, to which it is time to return, it should also be pointed out that city planning is only a bite at the cherry. The movement for planning on a larger scale is taking shape in England, in Belgium, and even in far-off New Zealand. It has been perceived that the country needs planning just as much as does the city, and that it is useless to plan a certain territory or area such as a city, or a rapidly growing town, unless there are corresponding plans for merging that territory with

the surrounding areas when it becomes necessary in the future.

The whole problem of community planning is involved not alone in the location of houses, streets, markets, schools, churches, shops, and the general accessories, but also embraces industry in all forms, transportation, and agriculture. It is a problem of keeping an economical balance, and of making a community that is not unwieldy and top-heavy. It is of no advantage to the city, the state, or the nation, to have cities and towns grow to a point where they are not only physically inefficient, but where the scale of life is, for the great army of workers, a descending rather than an ascending one. City-growth is today a source of great profit to a certain class of land owners, speculators, and merchants. City-growth ought to be a source of continuing wealth to the city itself, and not a more and more perplexing problem of trying to find money with which to maintain it as a physical machine, and perhaps improve it as a center of intellectual activity.

In this connection, it is worth while to quote the following from the address to the recent New Zealand Housing and Town Planning Conference of the Hon. G. W.

Russell, Minister of Internal Affairs for New Zealand:

"The wily land speculator, in selling farms and suburban areas for residential purposes, has taken little or no account of whether his sales and resultant profits fitted in with either the lay-out of the city or the adaptability of the lands he sold to drainage or water-supply. Such questions did not trouble him. His primary object has been to secure the enormous increase in value that has been obtainable through the necessity of workmen residing as closely as possible to their employment.

"It is time that a stop was put to this by legislation being passed which will make it impossible for any person to sell residential areas unless provision is made for the properties fitting into a clearly defined scheme of roading, drainage, water-supply, lighting for the future, even though their necessity at the present may not be so apparent. Coupled with the public utilities I have mentioned is one other — namely, that from every block of land which is sold for residential purposes there should be set aside by the owner as a gift to the people necessary reserves for public utilities, such as schools, post-offices, parks, recreation-grounds, and

open spaces. The property-owner who is going to draw large profits from the community must, in my opinion, be made responsible for the needs of that community in the matters to which I have referred. This is a most important phase of the whole subject, for the reason that the village of today in ten years hence is the township, in twenty years after it has possibly become a town district or borough, and fifty years later may be the prosperous miniature city. On us of this generation rests the obligation of seeing that those who come after us are provided by proper town-planning schemes with those things which make for healthy environment, recreation areas, and the absence of slums. How these things may be best secured by legislation and the creation of a healthy public opinion is the business of this Conference to consider.

"One of the greatest problems of the present day — and it has been tremendously accentuated by the war — is that of providing for the housing of the people. The increase in land-values caused by the growth of the cities is one of the primary causes of high rent. Next in importance comes the increase in the cost of building-material of all kinds, more particularly timber, plus the

increase of the cost of labor caused by the higher standard of living of today as compared with past years.

"Two attempts have been made to supply the want of homes in New Zealand. Under the State Advances Act down to the 31st of March, 1918, £3,473,000 had been advanced to workers to enable them to purchase or erect their homes, the total number of loans outstanding on that date being 9,511. Also, 648 workers' dwellings had been erected by the State under the Workers' Dwellings Act, 1905, and its amendments. The power given to Municipal Corporations to erect workers' homes has not been availed of. I am satisfied that this country must embark upon a great scheme for housing the people, and that we must "talk in millions" on this subject if we are to have a happy and a contented people. Revolution and anarchy are not bred in the houses of men who have happy homes and delightful gardens. Its spawn comes from the crowded tenement, the squalid environment, and the slum."

Also we may note the following statements from the circular issued by the Canadian Government in explanation of the terms under which loans are to be granted for housing:

"The success of the housing movement depends upon the acquirement of suitable land at its fair value, and at a cost which working men can afford to pay. It is essential, therefore, that statutory provision shall be made by the provinces for a cheap and speedy method of compulsory taking of the land required for housing purposes. To facilitate proper planning and to secure economy in connection with housing schemes, comparatively large sites should, as a rule, be chosen so as to permit of comprehensive treatment. Such sites should be conveniently accessible to places of employment, means of transportation, water supply, sewers, and other public utilities.

"Where housing schemes are proposed, the sites as well as the buildings, should be properly planned so as to secure sanitary conditions, wholesale environment, and the utmost economy. The land should be sold under building restrictions that will insure its use for residential purposes only, and should it thereafter be desired to utilize any of the lots so sold for stores or other business purposes, the increased value for such business sites should be made available for public purposes in connection with such scheme."

In both of these recommendations by the Canadian Government, the prime factors in the solution of the housing problem are clearly and fearlessly stated; and so far as I know, no government has hitherto officially acquainted its citizens with these facts. You must have cheap land to begin with and you must keep the land cheap to end with, as far as houses are concerned. The Canadian government bases its recommendations on the theory that land is to be bought and owned individually; but it points out that the increased value in business sites due to the building of houses should be made available for public purposes and should not go into the pockets of the fortunate possessors of the land required for those building sites.

And again, these remarkable words from the recent report of the Ontario Housing Commission:

"Houses cannot be built in the air. We must have access to land, and, broadly speaking, the land question is the root of not only housing problems, but of all social problems both in rural and urban territory.

"There is a certain amount of land around almost every town and city in Ontario ripe for development. For example there is a

huge tract of vacant land lying between St. Clair and Eglinton Avenues, west of Bathurst Street, Toronto, all owned by one syndicate, capable of accommodating a large number of people under the most favorable conditions. Instances of such kind, varying in degree, can be found on the outskirts of many of our towns.

"During boom times land is subdivided for building purposes for a radius of from three to ten miles outside city boundaries. Take for example the cities of Ottawa and Hull with 123,000 inhabitants. The Commission of Conservation has studied these two cities, and from its report the following particulars are taken. The present cities would occupy five square miles if the density were forty people to the acre. It is estimated that the population of these cities will increase to 350,000 in fifty years, and a total area of fifteen square miles will provide for this ultimate population with a density of forty people to the acre. But the subdivided area consists of sixty-five square miles of territory only a small part of which is likely to be required for building in a gradual way after fifty years. Of this sixty-five square miles, 41,600 acres is lying idle and uncultivated because it is subdivided into

small lots, and held by absentee owners in the hope of securing speculative profits which are not likely to be realized, and which the owners have done nothing to earn. This land contributes nothing to the public good and little to the public revenue.

"So long as we allow the individual to appropriate the community created increment, generally not even taxing him on it, we give him that with which he increases rent. He has capitalized that which the people produced and should have. This is the greatest single factor in the housing problem and to really solve the one we must solve the other. By the combined system of the assessors of letting off easily the holders of idle land, and taxing heavily the owners of improved land, covering as well, all the improvements, the holding of idle land is encouraged, and the building of homes, factories, and mercantile establishments is discouraged. Holding land out of use for a speculative increase is not the way to housing reform. Land is fixed in amount — unlike automobiles, baby carriages and other articles. If a spectator holds it, no one may make more land to satisfy the demand. When the profits of land speculation are taken by the state for public purposes land

speculation will become an unpopular occupation.

"Let us once establish the principle of taxing the land on its economic value, that is its value for use, and correspondingly decrease the taxes on improvements and there will be such a competition on the part of land for use that our entire situation will be changed.

"A tax on speculative profits and the unearned increment levied at the time property is transferred would act as a deterrent to speculation, and return to the community a large part of the socially created values. When we wish to obtain the value of land it is customary to appeal to real estate operators, but they are unreliable valuers from a community point of view, and their experience is injurious rather than helpful to sound judgment.

"In the case of those new and charming towns which the English Government has built to house munition workers, the unearned increment has been carefully eliminated. The land is taken at a pre-war valuation and the right is reserved of taking more land adjacent thereto at the same speculator-defying terms.

"The economic use of land in the rural

parts of the Province, and the prevention of the unhealthy use of land in crowded cities are two of our most urgent problems. The various governments as owners and developers of land should eliminate from their policies all that tends to promote speculation. It is said that 'some of the worst examples of speculation in Canada have been initiated by governments and largely supported by governments. The present methods of land transfer and settlement still give every encouragement to speculation.'

"This subject has received attention from previous commissions. The Commission appointed by the Ontario Government to report on unemployment made the following statement: 'The question of a change in the present method of taxing land, especially vacant land, is, in the opinion of your commissioners, deserving of consideration. It is evident that speculation in land and the withholding from use and monopolizing of land suitable for housing and gardening, involve conditions alike detrimental to the community and to persons of small means. Further, land values are peculiarly the result of growth of population and public expenditure, while social problems greatly increase as population centralizes, and the

relief of urban poverty calls for large expenditures from public and private sources. It appears both just and desirable that values resulting from the growth of communities should be available for community responsibilities. Wisely followed, such a policy involves no injustice to owners of land for legitimate purposes; and the benefits which would follow the ownership and greater use of land by wage-earners justify the adoption of measures necessary to secure these objects as quickly as possible.'

"Much of the success of the garden cities and suburbs, later proposed, will depend upon the conditions under which land can be secured and it is urgently necessary to our future progress that the land question should at once receive the most careful attention of our legislators."

All of these indicate a governmental recognition of the necessity of reversing the present principle by taking part of the control of land and the profits from land use out of the hands of private individuals. It is a first step, and when followed to the end, as it must be some day, the housing problem in urban districts would be no more. The same principle of land control adopted by the nation at large would free the land to

occupancy and use at a fair rental; cost of production would be diminished; the purchasing power of money would be increased, and gradually brought to as nearly a stable condition as the relations of one country with the rest of the world would permit.

Until this is done, there is no solution of the housing problem nor is there an end to the present industrial chaos, and no possible security against wars which will continue to drain one nation after another, not only of their wealth, but of the best of their life-blood.

It is true that the increasing price charged for the use of land on which to build is not the only factor in the race between wages and living costs. Distribution, although it is not an actual process of production, is a most necessary adjunct thereto. This is so badly organized that it adds materially to the cost of the things distributed, and under our theory that men are entitled to engage in the business of distributing almost without restraint the problem is not one easily dealt with.

It is not alone a question of the economical handling of things, for there is also the added factor of competition. Let us suppose that a town has four grocers, each doing a good

business, and providing all the service needed by the community. But a fifth makes his appearance, which means that, as there can be no appreciable increase in consumption of groceries simply because another grocer has opened a store, there must be a division of business between five instead of between four. The profits that formerly went to provide a living for four must now provide a living for five. What happens? There must be a raising of prices in order to keep the five grocers from losing their business. Now if the same thing happens in other lines of trade, and it does, the result is that after a while there is a decided increase in the cost of living. The need for more sites for shops sends up the rental of property, and the community finds that its cost of doing business has increased, while it has gained absolutely nothing, as a community. No one is better off in the end, except the very few who make a good quick profit out of land sold at the moment of keenest competition. He will be considered the smart, or the lucky man, because all the other landowners would have liked to take a profit, also. Therefore there is no community consciousness of what the proceeding actually means, and no perception of the fact that the

smart or lucky seller of land at a high price has merely added a capital charge to the town, the interest on which must be paid perpetually by those who live and work there. Yet, as has already been pointed out, the theory of sanctity and propriety that surrounds and hallows this form of money making through non-production, is deeply rooted in our economic system and in our individual conception of good and honorable business.

What will change it? There are only two forces. First, a thorough education in true economics as the foundation on which business and industry alone can rest, and second, the force of a blind revolution, conscious of our intolerable condition, and seeing vaguely that the higher wage is an illusion, yet unconscious of the real nature of the struggle that seems so hopeless. But the power of this second force is very doubtful.

The French Revolution was the result of a land system that enslaved the peasantry and crushed it with taxation and tithes. The Russian Revolution was due to the same cause, and all Europe is today a seething ferment because of the economic chaos into which it has been plunged. Yet it is idle to imagine that revolutions have greatly

changed conditions. It is a common illusion that out of revolutions have grown great social and economic benefits; but the world today is a complete refutation of this theory. Revolutions have merely supplanted one political form with another. Only the modern Russian experiment has sought valiantly to change the form of land tenure or the form of industry, which, by the sheer necessity of their demands, dominate and control other governments. The effect of our Revolution against England was to set up a new form of government and under that form of government we adopted the English system of land tenure and use and later on we borrowed completely its whole industrial system. As a result, we are in the selfsame predicament. Those who revolted had no program for the development of the United States so far as land use and tenure was concerned and later on there was no program for the development of industry. Everything was left to the unbiased license of the individual. Today when men openly discuss the possibilities of a revolution, only a few seem to realize that nothing but a miraculous intelligence out of which a new economic system shall be born can avert the impending debacle. Men have reached the breaking

point all over the world, and the tragedy is that they do not realize the futility of the measures they propose as remedies.

Never were leaders so badly needed as now. We want — we must have — an economic system based upon justice and fair play to all. It is the task of the nation to provide such a system. To do this, there must be profound sincerity. The task cannot be approached over the old path. It can only be approached by hewing a new road, by cutting boldly through the forest of platitudes with which we have so long solaced ourselves, and by building a road that will carry both the employer and the employee in peace and not in discord.

Such a road must provide for a higher actual wage to the worker. Not merely a wage that looks higher, because it is larger, but one that will actually buy more things and yield a larger measure of pleasure and content. To study the housing problem without envisaging the real problem is like trying to discover rivers in the moon with the naked eye.

And the problem is not merely an interesting study in economic or social phenomena. It is a question of the life or death of nations, of the survival or extinction of what

we know as civilization. We are so proud and so forgetful that we cannot conceive of the passing away of all the life that surrounds us, and the destruction and decay of all the stupendous structures we have achieved. But let us look backward for a moment and think upon the civilizations that once were, and that are no longer. There are forces in the world based upon nothing but the law of human life, and yet they are so strong that nothing can resist them. When men are spiritually starved, the end is visible, for man cannot and will not live in spiritual starvation.

In this connection we might also pause to ask whether it is not possible that we can over-emphasize the importance of the houses in which men are to live. In the past, we have most assuredly under-emphasized their importance, so far as the majority of people are concerned, but it is easily conceivable that in a state of real progress leading to a higher intellectual and cultural state the house would lose its importance, while other buildings would gain.

If we are to achieve a larger measure of freedom from manual labor then we should likewise be set free to enjoy a larger measure of mental recreation or application.

The house, continually improved and perfected as an economic appliance, wherein we might satisfy our physical needs with the least amount of labor, where coöperation in many services would make the task of the housekeeper much lighter, would for example, leave the mother free to resume many of those educational duties in the life of her children — duties which have been thrust in an ever increasing measure on the schools, with the result that many a child is today more inspired by a teacher, as it has the good fortune to come into contact with such a one, than it is by its own mother. It is idle to attempt to measure the value in giving such an increased measure of lessons to the mother through a corresponding release from many household duties that are now made necessary by our ill-planned and ill-adapted houses, and our continual repetition and duplication of work and service that could be infinitely better done if organized along lines of training and skill. By such a method, and in many ways, we could raise the performance of domestic service to a task of dignity and to a level where it would not carry the stigma of a despised social inferiority.

It is toward such a perfection of the house

that we must strive, and if we do, shall we not also see that in that process of emancipation we are to find the house growing less important as a piece of machinery, while other structures become more important? Private life ought to grow more simple and public life more dignified and noble. We ennoble above all things the soldier in his misery of mud and cold, courageously enduring all things in the essence of absolute unselfish devotion. Why can we not ennoble the same man when he comes home from work in a coal mine?

The answer lies in the fact that in the first case we ourselves have become devoted to a national ideal, while in the second case, we have lost that ideal and replaced it with a commonplace conviction that the world is ruled by the law of profit and that idealism may be all right to talk about but has no place in business. We descend from an overwrought state in which a mixture of emotion and real humanity have fluxed to produce a self-abandonment that goes to the extreme where life is given heroically and without complaint, to a state where life in the abstract has no vital appeal. During our overwrought condition we subscribe to resolutions over and over again, by which

we think that we have bound ourselves to change the old conditions. Yet when we are confronted with the problem, the very difficulty of finding a way soon kills our high resolve, the task seems so hopeless in the face of the system in which we are caught.

Undoubtedly there is a sincere wish on the part of a great many people for better houses for the low-priced workers of the United States. But the discovery has been made by those who have seriously tried to find some way of realizing their wish, that it is economically impossible. The same discovery, in regard to the payment of a higher actual wage, has not been made, and yet there are also a great number of people who believe that such a higher wage should be paid. Undoubtedly many also believe that by reason of the fact that wages are today in dollars and cents higher than ever before, the recipient is actually receiving a wage that will enable him to buy more than ever before, while this is not true, except in by far the minority of cases. But what is also true, as has already been stated, is that there is no possible way of paying all workers an actually higher wage — one that will actually buy more things. The non-producers, largely in the shape of land-owners, appro-

priate the added amount handed to the wage-earner, by demanding more and more for the use of land.

We even boast in our pride that land values in the United States are going up — which means, under our system of giving these values to individuals, that the cost of operating our national plant, whether it be manufacturing, transportation, agriculture, or housing, is going up. Those who produce must pay an interest charge on that higher land value, and little by little, the landlords grow more powerful and the tenants more helpless. If we shifted the position it would be no different. The present tenants would make no better landlords, although the present landlords might make better tenants.

We must find a way to control the use and occupancy of land and make its added use value become a source of benefit to all, rather than a present curse to the majority and a portentous menace to the country as a whole.

Without land control, there is no way out of a situation that, bad as it may be in old Europe, is even now causing many misgivings and much apprehension to those who have believed so strongly in the great destiny of the New America. Most people are quite unwilling to believe these things or

even to permit them to be discussed, publicly or privately, but there are a few courageous Americans left. They realize that we are in truth at the parting of the ways, and that our destiny is now utterly dependent upon the way that shall be chosen.

Which one?

VIII

WHAT TO DO

IN the midst of the present ferment, when so great a proportion of people are unwilling to search fearlessly and honestly for a way out, who can offer a program such as will command attention? Who can divert the press from its stupid pursuit of phantoms, from its preposterous witch hunting, from its perversion of facts and its suppression of all loyalty and patriotism, when those qualities are not based upon its own senseless conception of what citizenship means? No greater menace confronts the nation than this utter prostitution of news-gathering to falsehood and misrepresentation. Fortunately, the wide distrust which these methods have engendered gives hope that truth and reason are not forever to be engulfed in the ignoble sea of newspaper ink, but that they may rise again through the sheer inherent common sense of our people.

But in the meantime, what to do? Who

has developed a philosophy of industry such as may be offered without inviting such ridicule or persecution as completely to discredit the program it embodies? For myself, I am convinced that we must restudy the whole industrial system, without fear and without prejudice, and that it will be utterly useless to attempt any effort toward better housing until we have gone to the very bottom of the morass in which we now flounder.

From the point of view of communal life, Letchworth, the first garden city of England, still stands as the one real example of community building in which there has been an intelligent appreciation of all the factors that go to make the life of a nation. And as it is with community building that the problem seems to begin, we must restudy not so much Letchworth but the principles which controlled its origin and development. These are very simple. They rest upon the concept of man as a social being, requiring work under conditions that inspire him to give of his best, enabling him to found and maintain a decent home, and to enjoy a rest such as will repair his body and satisfy his spiritual and recreational needs. But this concept of man does not

begin with man in a city. It begins with man everywhere, and means that all men are entitled to these things. Today we herd millions of people in industrial centers where both work and rest are impossible, except under the feverish lash that drives urban life at higher and higher speed. We crowd them into mammoth buildings by day, and into other vast buildings by night. To accommodate their multitudinous coming and going we burrow under our streets and under our rivers, shutting them into trains like cattle going to an abattoir. On the surface of the earth it is hardly better. Congestion rages everywhere. In the streets, where traffic daily becomes more difficult and dangerous; in the tram-cars, where all is jostle and push (and here we note the fact that in spite of an immense increase in traffic, our whole electric railway system confesses itself bankrupt, demanding as the price of its preservation an increase in fares such as must again be reflected in further higher expense to the workers, and a consequent further higher cost to the consumers — a phenomenon directly attributable to the result of allowing individuals to appropriate the land values produced by improvements in transportation, and thereby to levy a

private tax on all those who are compelled to use the land); wherever we turn, in our crowded cities, we meet life in restless floods. Even the places of amusement are congested, for alas! all amusement has now been commercialized, forcing men, women and children to rely entirely upon sources outside of themselves when they seek escape from the fever of the city and its mental drain. Even our schools are wofully inadequate, both as to buildings and educational facilities. Ever faster and faster grow the needs; ever faster and faster do they become impossible and unrealizable, and yet we pursue the illusion as though we were straining like thirsty men after the mirage that rests forever at the desert's edge. Land values rise — life values fall. The mountain of debt piles itself up everywhere. Our cities no longer know which way to turn for money with which to meet the growing needs of their expanding congestion. Problems multiply faster than the mind of the citizen can comprehend them, and he must fight his way through the tissue of political fraud and office-seeking promises, ere he can hope to gain a glimmer of the truth.

In brief, such is the picture of the modern city. By contrast, what has happened to

the country? Landlordism has crept across the land like a pest. With landlordism goes soil depreciation, a declining land productivity, a degenerate race of tenant farmers, an abandonment of the countryside by the younger generations, a dreary monotony for those who are forced to stay. They are largely condemned to isolation, in spite of the telephone, the automobile, and the rural free delivery — those elements of country life which are commonly thought to have made the countryside a social paradise — and thus every boy and girl seeks to escape to a community where social contacts are possible. Our problem then is the nation as a whole, and not a part of it. The principle on which Letchworth was founded takes cognizance of the nation, although it is expressed in a community which has today attained a population of some twelve thousand. The principle is this: Industry and agriculture must balance each other. Once they did, even in the United States, where the small New England towns gradually developed small industries such as gave the community a reason for its existence. A balanced condition, such as this, means that those who depend upon centralized industry for their livelihood have free access to the

soil, and also to a community life; that those who till the soil on an extensive basis, whether in dairying or truck-farming, shall likewise have access to a community — that they shall, in fact, belong to and be a part of a community such as will afford them and their wives and children full opportunities for their mental and spiritual development. If you add to this the principle of communal ownership of land, under which system all additions to land values revert to the community and constitute a source of revenue, then you have a picture of the Letchworth idea. It seems an unanswerable philosophy, and it is encouraging to know that a second Letchworth is now in process of creation, also in England.

The principle involved is the direct antithesis of our present helter-skelter method of everybody-for-himself and the devil-take-the-hindmost. It does not involve the suppression of individuality or the enslavement of anybody to a pedantic, monotonous, or tasteless ideal, in which life has been reduced to a regime. It substitutes for unbridled individualism, licensed to take advantage of humanity wherever and whenever it may, a coöperative basis of production in which workers of all kinds may find

themselves set spiritually free to do their best. Instead of spurring men on to discover the future needs and necessities of mankind, in order that they may capture the means of satisfying them and thus make man pay to the uttermost limit, the principle of Letchworth, expanded to national aims, would mean that the satisfaction of man's needs and necessities should be the object of study in order that they might be satisfied, and not in order that they might be made the means of levying the pirate's tribute.

Letchworth also rests upon the economic concept that transportation is waste, unless compelled by exigencies beyond the control of man, such as soil and climate. The belt of agricultural land which surrounds the city produces much of the food required by the community. But this agricultural belt is to be maintained and not sacrificed to the belief that a larger community would be better. The land speculator is helpless to perpetrate his crimes in Letchworth. The whole development of the city is in the control of its citizens, and it is hardly to be believed that they will bring the calamities of congestion down on their heads merely for the sake of benefiting a

few merchants or storekeepers. Perhaps nothing can be made completely proof against a momentary epoch of greed, but surely nothing could be a greater preventive of rash or hasty action than to have the citizens of a city given the absolute power to decide how the land within their limits should be used.

By material ends alone man will not achieve freedom. But to those who are persuaded that emancipation must come through a spiritual process, quite dissociated from any question of economics, or to those who believe that man must move forward economically, in order to gain spiritual freedom, I offer the program published by the Cities Committee of the Sociological Society, London. It is as follows:

"Our faith is in moral Renewal, next in Re-education, and therewith Reconstruction. For fulfilment there must be a Resorption of Government into the body of the community. How? By cultivating the habit of direct action instead of waiting upon representative agencies. Hence these social imperatives:

"1. Cease to feel Labour personally as a burden, or see it socially as a problem; practise it as a primary function of life.

"2. Raise the life-standard of the people and the thought-standard of schools and universities; so may the workman and his family receive due meed of real wages; the leisure of all become dignified; and for our money-economy be substituted a life-economy.

"3. Stimulate sympathetic understanding between all sections of the community by coöperation in local initiative; so may European statesmen be no longer driven to avoid revolution by making war.

"4. Let cities, towns, villages, groups, associations, work out their own regional salvation; for that they must have freedom, ideas, vision to plan, and means to carry out, (a) betterments of environment (such as housing fit for family life and land for a renewed peasantry), (b) enlargements of mental horizon (such as forelooking universities quick with local life and interests), (c) communitary festivals and other enrichments of life. All these must be parts of one ever-growing Design for the coming years to realize.

"5. Make free use of the public credit for these social investments; but don't pay the tribute called market rate of interest; create the credit against the new social

assets, charge it with an insurance rate and a redemption rate, and pay the bankers a moderate commission to administer it through their system of interlocking banks and clearing houses; the present unacknowledged use of the public credit by bankers must be recognized and regulated, and being for private profit must be subordinated to the new communitary uses.

"6. Fill the public purse from a steeply gradated income-tax (proceeds being shared by the local with the central authority); discriminate in favour of investments that improve the environment and develop the individual. Let the tax-gatherer take heavy toll of 'unearned increments,' such as the 'bonus' to shareholders, the appreciation of speculative securities, the rise in land values from growth of population.

"7. Eschew the despotic habit of regimentation, whether by governments, trusts, companies, tyrants, pedants or police; try the better and older way of coördination expanding from local centers through city, region, nation, and beyond; so may the spirit of fellowship express itself, instead of being sterilized by fear, crushed by administrative machinery or perverted by repression.

"8. Resist the political temptation to cen-

tralize all things in one metropolitan city; seek to renew the ancient tradition of federation between free cities, regions, dominions.

"9. Encourage the linkage of labour and professional associations across international frontiers; it is these that can quicken the unity of western civilization and bring forth its fruits of concord. Further, let our imperial bureaucrats cease from their superior habit of instructing the orientals and try to learn from them.

"10. In general, aim at making individuals more socialized and communities more individualized. To that end, let schools subordinate books to outdoor observation and handicrafts; let teachers draw the matter and the method of education from the life and tradition of their pupils' own region, as well as from the history and culture of mankind at large. Let universities seek first for synthesis in the civic life around them; and only thereafter in the pages of philosophy. Above all let governing bodies learn, if not from the churches, at least from the psychological and social sciences, the distinction between temporal and spiritual powers, and cease to play the double rôle of Pope and Cæsar. As for the chemical and mechanical sciences let them repent of making hell-

upon-earth under war-lord and money-lord, and take service in the Kingdom of Heaven on earth. Then may the machine industry learn from artist-craftsman and town-planner the social significance of Design in all human things, including the city itself; that way lies the guild ideal and hope of its expressing the civic spirit. Let civic designers give rustics access to the city as well as townsmen access to nature; that way lies the regional ideal; and some day men will enter through this portal into paradise regained.

"Along these lines there is movement; but lacking in volume and unity. A crusade of direct action has long been afoot; but with many halts and in sparse and isolated companies. The Spirit Creative is liberated and in flight; but too timidly and on dissevered quests. It is time for clearer understanding, closer coöperation, deeper unison between all men and women of good will and high endeavour. So may be prepared definitely planned campaigns for the making and maintenance of worthy homes, smiling villages, noble cities. To engage the militant energies of the race in these adventures of constructive peace and heroically to salve the perennial wreckages of humanity would be the moral equivalent of war."

Here is a program for Housing Reform, as it has so long been called, which is also a human basis for Industry, a noble concept of Peace, a foundation upon which to erect a real system of Education. It absorbs the housing problem into the whole social and economic body, informing it with the spirit of humanity and illuminating it with the light of a genuine democracy.

APPENDIX A

From Canadian Correspondence to the Westminster Gazette, London, October 2, 1919.

"Acquaintance with the history and operation of anti-Trust and anti-Combine legislation enacted at Ottawa in the last thirty years affords no ground for expecting any general beneficent results from the Profiteering Act passed by Parliament at Westminster, now going into service. In 1879 the Dominion Parliament enacted a tariff the manifest purpose of which was to give statutory sanction and Government aid to profiteering by Canadian manufacturers. By its friends the Act was dubbed a national policy tariff. In it were embodied scores of penalty duties that were to be paid into the Dominion Treasury by men and women who bought other than wares made in Canada; and by so doing manifested a determination not to assist Canadian manufacturers in profiteering with the sanction of the law, and

also with the alert, active, and continuous aid of the Customs Department at Ottawa.

"Soon Trusts and Combines — with a cotton and sugar Trust easily in the lead — were organized to enable manufacturers to exact the last cent possible under the Tariff Act of 1879. There was a general outcry against Trusts and the rapacity that is always characteristic of Trusts; and in 1889 the Conservative Government that was responsible for the Act sanctioning and aiding profiteering by manufacturers was forced to do something to allay popular discontent due to the Trusts and the general and almost uniform use the Trusts had made of the power to exploit consumers bestowed on the Trusts by the first of the national policy tariffs.

"An Anti-Trust Law was passed in 1889 at the instance of the Conservative and avowedly Protectionist Government, of which Sir John A. Macdonald was Premier. It was without teeth! It was quite innocuous, and was never heard of after it had received the Royal Assent.

"At the time of the change of Government in 1896, the popular outcry against Trusts and their exactions was as loud and as persistent as ever. The Liberals in opposition

had had an effective part in the long-continued agitation against Trusts. Accordingly, when, in 1897, they adopted and greatly extended the national policy system of the Conservative Governments, the Liberals embodied in their Protectionist Tariff a section — No. XVIII — under which it was possible, by Order in Council, to withdraw Protection from a manufactured article that was in control of a Trust; Protection was to be withdrawn only when a Trust 'unduly' enhanced prices, or in any other way 'unduly' promoted the advantage of manufacturers or dealers, at the expense of consumers.

"But the Section was so guardedly framed as regards its operation, that it might well have been drafted by counsel for the Trusts. The initial processes were roundabout, and procedure, as a whole, was extremely costly. As a consequence, Section XVIII was put into service only once. This was in 1901, when newspaper publishers, at great expense, satisfied a Court that there was a combination of paper manufacturers which had 'unduly' enhanced prices, and had long exploited the publishing industry to the last degree of its Tariff Protection.

"In 1910 there was still another Act to re-

strain tariff-buttressed trusts from pushing their statutory protection against all outside competition to its extreme limit; it was passed at the instance of the Liberal Government that was responsible in 1907 for the highest Protectionist tariff ever enacted in any part of the British Empire since the end of the old commercial system in 1846.

"The Anti-Trust Act of 1910 amended Section XVIII of the Tariff Act of 1897 so as to make it a little less difficult, and less costly to get a prima facie case against a trust before the courts. For thirty years — 1889–1919 — there have thus been Acts on the Statute Book of the Dominion to restrain trusts from profiteering under national policy tariffs.

"Trusts in Canada are as notorious as trusts in the United States; and comparatively they are quite as numerous. But only in one instance — that of the paper manufacturers in 1901 — has a trust been effectively reached under any of these laws, because it 'unduly' increased prices to consumers. In not a single instance since 1889 has the tariff protection on a single article been withdrawn because the manufacture and marketing of an article was controlled by a trust. Moreover, judging from the

official report of a discussion at the last annual conference of the Canadian Manufacturers' Association, the Paper Trust, that was in trouble under Section XVIII in 1901, is, as regards some lines of its business, as flourishing as it was when its operations brought it into conflict with the Anti-Trust Law."

APPENDIX B

THE HOUSING SITUATION: CAUSE AND CURE*

"The solution of the housing problem of the District of Columbia goes to the very foundation of the original theory upon which the Federal district, 'ten miles square,' was created.

"The fathers planned to build a National Capital in an isolated spot, free from local influences of commerce and politics, where the individuals elected and appointed to run the Government could function calmly and dispassionately.

"Every other capital in the world but one is located in the metropolis of its country. Here it was deliberately determined to get away from cities, and have nothing in the Capital but the machinery of the National Government.

* An article by Oliver P. Newman, former Chairman of the District of Columbia Commission; Washington Times, October 21, 1919.

"What the originators really had in mind was a Federal reservation, like an army post. They went so far as to lay down, in the Federal Constitution, that Congress should have exclusive jurisdiction in the 'ten miles square'; meaning that the Government should be the exclusive authority, to control the District and run it as was best for the Government.

"That was a perfectly sound theory, but it was not carried to its logical conclusion. To have kept the District a Federal reservation, where Congress would always be the unquestioned boss, the Government should have kept title to the land.

"WHEN IT PERMITTED THE LAND TO PASS INTO PRIVATE OWNERSHIP IT TOOK A PARTNER, AND HAS HAD TO RECKON WITH THAT PARTNER EVER SINCE.

"That's the reason there's a housing problem in Washington now — a problem difficult of practical solution. Much of the land is owned by private individuals who, naturally and legally, want to make money out of it.

"Because they're trying to make money out of it, the average resident of Washington finds his rent high and houses and apartments inadequate. . . .

"If times were normal, I would say that a proper system of taxation, whereby a man would not be penalized for improving his property and whereby the public should receive in taxes the value which the public creates, would solve the problem — would automatically produce houses for as many people as needed them at prices within their reach.

"But times are NOT normal, and at such periods the Government and not the individual should bear the bulk of the burden. The law of supply and demand must be forgotten.

"The theory that the Government should not interfere with private enterprise must be abandoned. The idea that, if Uncle Sam goes into private business, he must make money out of it, must be passed by. This must be remembered and observed:

"THE THOUSANDS OF PEOPLE HERE IN WASHINGTON, MANY OF THEM DOING THE WORK OF THE GOVERNMENT, MUST HAVE A HEALTHFUL PLACE TO LIVE WITHIN THE LIMITS OF THEIR ABILITY TO PAY.

"In the present emergency I can see but one solution. That is for Government to go right out, frankly and on a big scale, and build houses and apartments, and rent them

at reasonable rates, even if such action involves financial loss.

"There aren't enough houses and apartments in town.

"The individual can't afford to build, buy, or pay the rents that new property, privately owned, must have.

"Private enterprise probably won't provide enough space, anyway, even at high rentals.

"Is there any answer except for Government to step in and do the job?"

APPENDIX C

A SOLUTION OF THE HOUSING PROBLEM IN THE UNITED STATES*

BY MILO HASTINGS

Part I. The Social Problem

The housing plan here offered has obvious kinship with the English garden city. It is differentiated from the English plan to adapt it more closely to American conditions and needs.

The American possesses no overwhelming fondness for ancient and established forms of dwelling architecture. If, in our house-building and community-planning, any practical comforts and modern conveniences be sacrificed to the ancient European cults of rustic beauty, the American tenant is going to repudiate our efforts as mere artistic foolery.

* One of the prize-winning theses in the competition instituted jointly by the *Journal of the American Institute of Architects* and the *Ladies' Home Journal.*

The American does possess a contrasting fondness for labor-saving inventions and "modern improvements," and places a value thereon out of all keeping with European standards. He wants things up-to-date, and is willing to pay for modern features of housing conveniences and comforts out of all proportion to their actual cost. In the Flagg workingmen's apartments, in New York, the belated installations of baths permitted a raising of the rents on a scale that paid a hundred per cent on the cost of their installation.

Nor do American working folk, and particularly the women, take kindly to those ancient ideals of thrift and economy that, in song and story, hover about the lowly peasant's cot. They want neither cot nor cottages, but houses and bungalows. They do not want to carry market baskets nor sit before open fires. They like to get out and travel and go to shows. They want an auto and a garage; they want hot water and steam heat, a telephone and goods delivered —preferably "in the rear."

Since the American scale of values is different, we should translate the lessons that Europe has to teach us into American terms, and plan our housing so as to give

the American the greatest possible measure of those things he wants and is willing to pay for.

The American does want a private house and suburban or country life; but he also wants city conveniences. As things now stand, it is difficult to give him both at a price he can pay. Our problem is to devise a plan that will give the worker a private house and garden, together with coöperative utilities and services, and at a total cost within his means.

This is an end that cannot be attained without some sacrifice of the picturesque freedom of the plotting of the present conventional garden city. There is no intent here to discard the esthetic values of artistic irregularity, but only to compromise the ideals of the landscapist with the practical limitations of the engineer.

A Street That Functions Efficiently

The varied ends sought, and proportioned to American tastes, can be most economically secured by building a series of detached houses along a line of service utilities. Our present street is such a line, but it is not an efficient line. If it be narrow, or the houses

be set too near the street, it is cramped and ugly. If it be wide and spacious, and the houses set well back, it is unduly expensive, and the total amount of pavement and total length of digging and piping to carry the utilities into the house is too great.

We can gain economy by a specialization of the functions of the street. We can broaden the street that is to be the front of the house until it is no longer a street but a parkway. We can concentrate the heavy traffic and service utilities at the rear of the house until it narrows down to the one-way vehicle track made of two concrete rails with concave surfaces fitted to the gage of an ordinary motor vehicle. The construction of this "auto railroad" will require but a small part of the material needed for the modern street, yet the service rendered will be more efficient.

Paralleling this track, and constructed as a part of it, will be the line of service-pipes and cables. The minimum list will include the water-line, the sewer, gas, telephone, and the light and power circuit. The sewer must be buried in the ground and sloped for gravity flow. Water-pipes must be buried, not only to prevent freezing but to cool the water in summer. Where no heating-line

is to be provided, it may also be necessary to bury the gas-pipes to keep the collected water from freezing. The wire cables may be located in a groove on the side of the concrete rail, and so be more available. But if central heat is to be provided, a conduit made of sections of asphalted concrete boxes may be placed above the ground-level. By this plan it will be possible to keep insulation dry and there will be less heat lost to the air than to the better conductor, the damp ground. Where such a surface conduit is used, all pipes and wires, except water and sewage, may be carried therein. This heat-carrying conduit will pass just beneath the floor at the rear of the house, and, if there be a garage, the heating conduit may also pass through it just inside the rear wall. Thus, the heat radiation from the main will not be wholly wasted.

Rear Streets versus Front Streets

This compact service-way should be located at the immediate rear of the houses and the houses aligned thereto. This line need not be rigidly straight, but it should avoid unnecessary windings and sharp turns. While rigidity of alignment in the rear is

essential to efficiency, in the front there is no rigid house alignment. We avoid the straight and narrow way of the city street, not by winding and curving it, but by substituting for the street a sufficiently wide parkway to permit of variations within itself.

The rear service-line is for utility traffic. It makes direct contact with the rear room of the house. Here all goods may be delivered into a trap or chute without the deliveryman alighting from his car — often without his stopping. Garbage and waste paper, set out through a wall-trap, are collected with like dispatch. The car on such a track needs no guidance, hence the extra man now often required may be dispensed with. Such superior delivery to the house, in addition to the direct economy, will stimulate all manner of coöperative effort. Functions like baking and laundering should, in such a community, become completely centralized.

The community kitchen, which has made great strides during the war, requires only a more efficient system of house-delivery to make it a permanent service in the industrial community.

With all modern utilities in the home and

this aid toward the centralization of the few remaining functions of housekeeping, women will be so freed from home labor as to greatly increase their capacities for industrial labor outside the home. While woman's participation in industry is not without its evils, the nation must find other ways of correcting these evils than by refusing to accept labor-saving methods of lightening household drudgery. Opposing the centralization of housekeeping functions is quite as stupid as the opposition once shown to linotypes and grain-binders.

This tradeway or service-road is not for beauty but for utility. By making it virtually an automobile railway, speed and service will be enhanced. By more efficient transportation for goods, we make possible a greater decentralization of population and gain access to a greater area of land for recreation and cultivation.

As we cannot have service without an intrusive proximity to the dwelling, we want this service concentrated so that it can be better hidden. The rear of the house, and often a garage, together with a garden-house and tool-shed, will half enclose this line. We have but to connect up these buildings with a few concrete posts, stretch a

substantial woven-wire mesh, and plant climbing vines, and our service right of way is fenced off as securely as an English railway. The house door into the traffic-way, required only for the delivery of large articles, can be kept bolted from the outside. Thus child-life will be safeguarded and speed may be unrestricted. Access to the garden lands in the rear would be by means of a platform extending from an upper porch out over the narrow service-way and an outer stairway descending into the garden space beyond.

Gardens, Parks, and Play-Spaces

For commuting suburbanites or industrial workers, the garden-patches should not be fenced. A narrow strip near the house may be reserved for outbuildings and for a few fruit trees or perennial crops, like asparagus. Leaving the remainder of the garden land unfenced will permit of economical coöperative plowing. Division lines may be determined by sighting through between landmarks, and thus wasteful and weed-breeding fencerows may be avoided. Where the holdings are of larger size, a nearby strip can be left for coöperative plowing and the land beyond fenced for chicken-

yards and cow-lots. In such developments, many tenants would require the smaller garden holding only, and the larger space beyond could be leased to those desiring them.

As the concentration of houses on the service-line is essential to gain coöperative utilities, so the extension of the land in the opposite direction will gain greater areas for cultivation.

Our logical housing unit will be formed of two approximately parallel lines of houses. Connected at its outer end by the return bend of the service-line, the unit will form a U. At the open end of this U is the established city, or, if all things are to be new, the industrial and trading area of the new city. The inside of the U will be parked throughout and traversed by no heavy service traffic but only by such walks and light roads as are needed for recreational purposes and private cars.

Within this U, with its park-like and non-commercial environs, may be located schools, clubs, athletic courts, and other social and recreational institutions. But the social value of this land will not depend upon its elaborate equipment; its primary purpose is to give a sense of room and freedom and to provide ample play-space for children.

If it be nothing more than an alternation of groves and grass lands, with an occasional school, it will well serve its purpose of giving the residents a free recreational common, which is often absent, even in suburbs where all land except the street is fenced off as private grounds.

The length of this U is indefinite. Where the land is available for possible later expansion, the outer end of the U should not be built up with houses, but should merely carry the service-way and utility pipes which may be moved further out in case of expansion.

Economies in Construction

The construction of the houses themselves, being planned and built in considerable numbers, will gain the economies due to wholesale building operations. In the recent Australian rural communities these wholesale economies are reported to have reduced the housing costs to one-half that of individually built houses. In the present plan, the coöperative utilities will necessitate a standardizing of heating equipment and similar fixtures that will show the usual economies of standardization. Our prog-

ress in pouring cement houses indicates further possibilities of economy. Such economies necessitate similarity in the finished houses. We accept similarity in automobiles because of economies, and there is no reason why we should not accept it in houses. But if the whole effect of the house and its environs is cramped, monotonous, and ugly, we can pay too great a price for economy. The solution is to accept a larger degree of repetition in house design and fittings where the economies are greatest, and to secure a compensating variety and beauty by the freer use of land in the parkway.

Decentralization of Population

In the model English garden city of Letchworth there is a population of 35,000 on 4,500 acres, or about two-thirds of an acre per family. And yet, in Letchworth, twelve houses are permitted per acre, which, with a lot 150 feet in depth, would mean only 24 feet in lot-width. In this much-famed English model, the cramping of houses is thus permitted in the town, which is then surrounded with a belt of municipally owned farms. The outermost acre

of Letchworth is only several miles from the city center. Such a distance can be negotiated by a jitney bus in ten minutes at a cost of two or three cents per passenger.

We can well afford to discard this Letchworth farm-belt and distribute our people over the whole of our land. After allowing for the space for industrial needs, we will have a land area a little better than a half an acre per family. This must be proportioned between the park space, the building and private yard, and the garden space in the rear. The houses on the two sides of the U contribute equally of their allotted space to the central parkway, which should be at least 200 feet wide. Allow another hundred feet for the private lawn and house-site and 200 feet for the garden. The total depth is thus 400 feet, which will result in a lot-width of 60 feet.

Central Heat and Hot Water

This is a far greater decentralization than is gained in the English garden city, yet in order to have central heat for every house, we have only to provide 60 feet of heating main. We have not done this thing, but the reasons are not found in the textbooks of

our heating engineers, but merely in our unsocial planning. The distribution of heat and of hot water for bath and kitchen use may be combined. Such water could be rapidly circulated by pumps and the pressure kept up, if need be, by a relay of electrically driven centrifugal pumps out on the line. The cost of power for such forced circulation should be more than met by the economies in coal cost from more efficient heating at the central plant, and thus yield as a net gain the advantages of the cleanliness and comfort secured and of labor saved by a hot-water supply and the hot-water heat within the home.

The original cost of our conduit and its piped utilities will be offset by the elimination of individual house-heating systems and the saving of the cost of a cellar beneath the house. The present uses of the cellar or basement are for the location of a heating plant, for a place for keeping food cool in summer or to prevent its freezing in winter, and, in some modern cottages, as a location for the laundry. In the present plan none of these needs appear.

Where heat may be piped, so can anything else that flows by pipe or wire. Sixty feet of vacuum pipe will cost less than an

individual vacuum sweeper. Why should the worker's wife sweep with a broom and dust with turkey feathers when the expenditure of a few cents a month for electric energy will save her an hour of work a day and rid the house of dust-carrying disease germs? Again I am constrained to believe our nineteenth century sociology and not our twentieth century engineering is at fault. Why should we go on building workers' houses with a hot-water tank on a kitchen range and put bathing on an uncertain schedule? — for men will bathe where hot water is always on tap and will not where they have to go down in the kitchen and fire up and wait an hour in order to get a hot bath. Why should we pile up the responsibilities and labor of decent living when it is cheaper and easier to make living easy?

We always approach this problem of housing from the standpoint of an eleventh-hour rush to get roofs over the heads of a multitude of workers that the sudden growth of some great factory has herded into insufficient quarters. For such needs, a scale of density of population like that of the garden city is as near what we want as we can now determine it. But, as our social control over industry grows more intelli-

gent, we will cease to let these huge factories dictate the density of our living and begrudge us more than this arbitrary minimum of soil.

The Workman and the Land

We have a presentiment — and all Utopians that ever wrote have strengthened it — that in the future more of us are going to possess land-holdings somewhere between the 160-acre farm and the $\frac{1}{4}$-acre garden, and that agriculture and industry will be more closely interwoven than now. Time and intelligence now at work will surely intensify agriculture and teach us to grow more food from less land; improved transportation will bring us closer together in minutes and in dollars, though farther apart in miles; the distribution of social utilities will make life comfortable, though removed from the city throngs.

To accomplish these ends more speedily, we must concentrate our houses on a line to gain the advantages of better transportation and more coöperative utilities, and extend our land back in strips at right angles from the line of houses to gain access to more soil. The maximum of house concentration is the continuous house of the

Chambless Roadtown plan; the minimum is the present arrangement of farm-houses.

There is no absolute standard for the determination of compromises between these extremes, but the range included by the plan here offered (the essential idea of which the writer published in 1909) is that beginning with the detached house and ending with the distance at which it ceases to be feasible to pipe water. Between these extremes I believe may be found the most acceptable and economical housing plans for industrial population in areas where it is feasible to provide gardens, and also for those intensive agricultural communities where vegetable, fruit, and poultry farming are the chief industries. Within this range of population density will be included the equivalent of our present suburban and village life and all of our plans for agricultural holdings in industrial regions. As we repudiate our present congested metropolitan life, and as the wastful processes of extensive agriculture are restricted, this middle ground in the ratio of men to land may come to include a major portion of our whole people.

Picture now our plan applied to a semi-agricultural development with holdings of from 2 to 10 acres. The houses can be spaced

from 100 feet to 100 yards apart. We shall cease to fence in our tradeway and shall probably lose our piped heat and vacuum, but we can retain a superior delivery service and our electricity, gas, and water — perhaps the latter with enough capacity for garden irrigation.

Our little lands will extend for 1,000 feet or so to the rear. The residents who are otherwise engaged will retain only a nearby garden-patch and sublet the rear portion of their holdings to land-loving neighbors. If our community has retained the U formation, there will be from fifty to a hundred families to the mile, and we may have good schools, social clubs, and coöperative recreational facilities. With auto bus service our people may go 5 to 10 miles to work or to trade with no undue expense or loss of time.

But this last picture need not mark the maximum of decentralization. We can give up the central parkway, combine our pipe- and transit-way with the free vehicle road, and alternate our houses on the opposite sides, place them 100 yards apart, and carry our tilled lands back a mile, and our meadows, small grains, and pastures another mile, and we will have an average farm size of 600 feet by 2 miles or 150 acres, which is

entirely too much for the farmer of the future. Far from being inefficient, the long field of such a farm would be better adapted to economical cultivation than the square field, for less time and space are wasted at turns. The square survey of American farms is unadapted to an age when the delivery truck, the pipe-line, and the power wire mean more to men than the vaunted isolation of feudal castle or plantation home. By applying our principle of the line concentration of living to our farm-survey, we would secure, economically, good roads, electric light, rural delivery of goods from city stores, a bus line, water, sewerage, and gas to cook with if we want it, and neighbors just out of earshot.

So much to show that there is really no limit to the application of the principle, but the immediately practical application is not to general farming, except, perhaps, to newly reclaimed lands. The most urgent need for housing is for our industrial workers; and our aim should be to give them as much land as they will use, and give them also a detached and private dwelling, and yet deny them none of the utilities available in apartment or flat.

There is a time, on Sunday afternoons,

when we appreciate curved drives and winding paths, and for our play-place and play-time we set aside the parkway in front of our houses, but, in building the houses and supplying them with service, mere beauty must compromise with efficiency. The aristocrat lives fronting on the park and has all goods delivered in the rear, and so can the democrat if he will quit being an anarchist in his town-making and house-building.

Part II. The Economic Method

*The Menace of Landlordism**

Our existing system of American land-tenure grew out of our plan of turning over our public domain on easy terms to land-owning farmers. By so doing we thought to establish a sound and enduring democratic tenure. The result of this system, in its present state of evolution, is that the modest fortunes of a large portion of our people are founded on the unearned increment from the rise in the price of real estate, and hence it is extremely difficult for us as

* For the statistics covering the growth of landlordism, and the diminution of home ownership in the United States, the reader is referred to "The Housing Problem in War and In Peace," published by the *Journal of the A. I. A.*

a democratic people to now repudiate the system.

But our much-lauded and fondly worshipped land-tenure system is not an enduring one. It is the favorite criticism of misunderstood socialism that if we divided the world's wealth equally today it would be unequally divided by tomorrow night. That is what is happening to our American land system, for our intended democracy of private ownership, founded on homesteading, is gradually but surely being lost through the irregularities of inheritance, the rise and fall of fortune, the increase in land-values and the big fish eating up the little ones. Landlordism and tenantry is the sure but inevitable outcome.

We boast that our own democracy means, not equality, but equality of opportunity. But there can be no equality of opportunity for the new-born in a nation where lands are no longer free and where a portion of the population live off of the socially created rental values of land.

Government Control Necessary to Prevent Congestion and Slums

We can go on dodging the issue and leaving the disinherited unborn to right it as they

may. But while we may not be ready to apply a land reform to our general farm holdings, the time is at hand when the land speculator can no longer be allowed to congest our cities and absorb the surplus earnings of our workers by the increment of land rentals. If we would extend towns and cities or build new communities on a socially conscious plan, there is no use going about the business except on some basis of federal, state, municipal or community land ownership which will save for the community the wealth the community will create.

Under the urge of war, England, goaded by a land situation worse than our own, achieved a sudden radicalism which goes further than we may desire to go. The land for English industrial war towns was not only condemned at pre-war prices by the Government, but provision was made that adjacent lands might thereafter be condemned at pre-war prices. A fairer plan would be to give the public agencies active in housing enterprises the right to condemn the lands needed at present values, and the right to condemn further lands when the need arises at values to be determined by their worth at the time the project was founded, plus such ratio of increment in

value as the regional or state records show as having accrued in lands of similar type but not effected by proximity to industrial communities.

Who Shall Build Our New Communities?

But we must not only decide what to do but who is to do it. Town-planning by individual private enterprise is ruled out because it breeds congestion and slums. Town-planning by private development companies may be fairly satisfactory for the middle-class suburbanites, but it has utterly failed to properly house our workers. Town-building by industrial corporations, who are forced into such enterprises by the necessity of housing their workers, is somewhat more efficient and is the prevailing method in present-day building. Such corporations employ the best of our town-planners and small-house architects, and these men work from the employer's point of view. Comfort and efficiency for labor they consider. But to build up communities wherein the landlord and employer are one and the same corporation is to accentuate and perpetuate our present overgrown industrial feudalism. Democracy will not thrive in these corporation

towns where the water from the taps and from the eaves is flavored alike with steel or rubber, or shredded wheat biscuits, or a certain brand of soap.

But somebody must be the landlord; if not the private speculator or the industrial corporation, then it must be the government. But what government? Federal, perhaps; state maybe; best of all, the local government of the district. The community should own itself. The unearned increment must pour into some pocket, and if it be the pocket of the community, then taxes may be deleted and the community enriched beyond the dreams of publicans.

For the expansion of existing municipalities, the right of the eminent domain of the city must be extended, not only to its streets and rails, its pipes and wires, but to its houses, yards, and gardens. Nor should this expanded right of domain be confined by existing corporation limits. If we would solve the house problem, we cannot wait until the adjacent rural region becomes half urban; we must have power to reach out into rural territory and do our planning and start our building on fresh ground before private suburban development ruins all hope of doing it well.

APPENDIX C

The Need for Broad Planning Programs

The sharp political line of demarcation between city and country is a serious difficulty in the development of semi-rural communities. No such line exists in the nature of social or industrial life. As it is at the very point where town meets country that our greatest opportunity exists, we will need some well-wrought plan of coöperation between the municipal and the adjacent rural government. Such developments cannot always be left to mutually jealous local governments, but will require oversight by the state to permit of harmonious town- and country-planning. In such localities it may prove necessary to create new communities occupying a portion of both the old city and adjacent rural territory. Such areas might be incorporated in the old city, with local autonomy in the business of land proprietorship and housing control.

Our government authorization of an eminent domain for housing must also be extended to new communities that may be created apart from existing cities. For the initiation of such new efforts we cannot depend upon the initiative of centralized governmental authority. The initiative is more

likely to come from enterprising citizens or industrial leaders. But the overseeing government must have power to check and supervise such ambitious efforts. As the Reclamation Service now selects from among endless local claimants the regions to be improved and made into farms, so we must have a state or national agency which will pass upon new town projects and extend authority where worth is found.

Money and Credit

In securing the funds for building we will have a like need of such aid from the larger political organization. In the reclamation projects, the acquisition of the land is the smaller half of the problem. The Government finances the improvements and secures the return of the funds invested from the wealth thereby created. In like manner, the nation or state must finance the public utilities and workers' dwellings of new industrial communities or we will make slow progress with our housing problems.

This is a safe investment for Government credit. To issue Government bonds to drain swamps or build cities is not to pile up debts like those of war, but is merely a govern-

mentally directed coöperative investment in real estate securities. Private capitalists would otherwise finance these ventures on speculation — some to make and some to lose. Through the agencies of Government credit, individuals pool their capital, their gains and losses, so that all will make 4 per cent. As long as we need houses to make our workers productive, bonding the Government to pay for these houses means adding to national prosperity.

Self-owning Communities

The land bought, and the houses built by Government funds will be owned by the community, the Government holding the mortgage. Before the war we would probably have sold out the homes to the workers on easy payments and so made trouble for the next generation. But the war has increased our social reach into the future, and we can now advocate a permanent community ownership. The Government bonds may be retired in twenty or fifty years — the time is not particular, though the community should take the ultimate risk of its own life or death, for it is the community that will be responsible.

The community will own itself and will rent its houses on long-time or indefinite leases to its citizens. The rent figure will include interest on the cost, the upkeep, and operation of the town as a whole, and, until the bonds are retired, the sinking fund for such retirement. The citizen will own his own home for all the practical purposes of vine and fig tree, and, if you please, of an ancestral estate. The most prickly thorns on the rose of inheritance are removed when we do away with private property in the unearned increment.

Whatever be the relations worked out between our complex national, state, city and community organizations, the new communities that are based on the community ownership of land and houses should have the largest possible degree of local autonomy. The political problems of such a community are different from those existing under the old system of land tenure, and the affairs of such communities are not likely to be fairly administered by outside officials influenced by the old system. The new communities will form centers of a more social democratic life. If they prove efficient they will grow and expand, and so they in time recast the social structure of the whole nation.

Present danger lies in subjecting them too closely to outside paternalistic influence and thus checkmating their opportunity to prove their actual worth in competition with the old system based on the private ownership of land.

[NOTE. — Among other references, the reader's attention is called to the new Housing Bill in Canada, a summary of which appears in this issue; to the new Housing Law in Australia, likewise summarized in this number, and to the pending law in England, of which many references have been published in previous issues of the Journal. The English Law is not yet on the statute books, and it is generally conceded that it will be wholly ineffective in meeting the present grave crisis, unless it be accompanied by a Land Acquisition Act that will permit the taking of land at its pre-war value, and not compel the Local Authorities to buy it at its present greatly inflated value. EDITOR.]

APPENDIX D

A SOLUTION OF THE HOUSING PROBLEM IN THE UNITED STATES*

BY ROBERT ANDERSON POPE

I. The Social Purpose

Of the innumerable grand projects for human betterment that have witnessed man's resolute faith in his own future, the larger number have never attained realization. Their main substance was a generous imagination, their chief animus a high-spirited altruism. Detached from the basic facts of the nature of mankind, and unrelated to other projects of reform, they have remained for the most part, inspiring ideals — chiefly potent in keeping alive man's discontent and aspiration. Through this experience we have become too fearful of fundamental reforms and yet it is only through funda-

* One of the two prize-winning theses in the competition for a solution of the housing problem in the United States, as conducted by the *Journal of the American Institute of Architects* and the *Ladies' Home Journal.*

mental reforms that we shall produce the realization of our aims.

There are no facts in creation so real and important as the facts related to human nature; although, like the air we breathe, we are unconscious of them, nevertheless they are constantly and powerfully operative. If respected and capitalized, they will prodigiously reinforce any enterprise; if promised satisfaction and fulfillment, they will ensure success. They reckon ill who neglect them. External power or material glory is never safe if these forces, which make up the inherent qualities of mankind, are placated and unemployed.

It is, then, the fundamental and universal nature of man himself which must control every successful enterprise of human well-being, and we must therefore acknowledge the authority of man's deepest needs and capacities, and, in the light of the essential characteristics of human nature, attempt to provide that setting which will insure the development of an ample and humane life. This is primarily the field of the philosopher and the psychologist, and the essential character of human nature, in its major outlines, has already been made clear and sure by philosophers like Plato, Aristotle,

and Kant, down to the modern psychologists of the Freudian school; and it is upon their conclusions, then, that we intend to base and draw up herein our new Bill of Rights.

Man is an animal and on the bodily basis rests all chance for a really satisfactory life. The barest physical necessities of man's system call for air, light, protection, space for movement, opportunities for cleanliness, and so forth. There is no possibility of men being really themselves except in a friendly physical environment that promotes a healthy, normal, communal life. Though in fact the proposition is too trite to be argued, the force and authority of it are often overlooked — and overtly this essential right has been and is daily outraged on a vast scale. The medieval and puritanical scorn of the physical life has been a profitable dogma for the exploiter, and a so-called Christian civilization, motivated by a concern for individual profit, and the obligation of a world to come, have permitted endless abuse of man's right as a physical being.

Although it is true that man is an animal, he is something more; and the cry that man shall not live by bread alone is a recognition of the truth that only in the fulfillment of

his mental and spiritual functions can man find the good life.

The most universal character of normal mental process is the effort towards integration. We give things names, we register impressions, we seek to establish relations of resemblance, continuity, and dependence. We are constantly designating, classifying, relating every minute of our waking lives — trying vainly, blindly, to impart some order and control into the sorry scheme of things. That which is unrelated is mysterious, painful, baffling, and even terrifying. The Freudian method of research has shown that the lack of the integrated life is responsible for many of our pathological, as well as our psychological, disabilities; and that the right life involves a complete integration which shall include within a harmonious whole man's subconscious and conscious selves.

This compelling force of human progress is the essential quality of the mind with its unconscious, persistent, and universal pressure in the direction of coherence, order, and spirituality. This is the *élan vitale.* As the acorn, by its inherent structure, predetermines the ultimate character of the oak tree, so the *élan vitale* predetermines the progress

of society; and it is that fundamental character of the mind and spirit that we must recognize as the medium to which it is necessary to attach all our programs and reforms.

One of the most important characteristics of mankind which this integration must recognize is that of the creative impulse which is inherent to all men. Probably no other factor has been so outraged and denied by modern industrialism. The modern town must provide some way which, in the end, will accomplish the freedom of the workers to express this powerful impulse in forms of creative achievement.

Another phase of human need which must be recognized is the complexity of man's talents. Modern industrialism has disregarded this, to the serious detriment of society, concentrating, as it has, the whole energies of a human being on tasks that utilize but a trifling phase of his inherent capacities, while leaving the others cramped and impoverished. The price of a policy which so disregards the varied capacities of every individual may be merely a dreary, melancholy life for one poor group of workers; or, on the other hand, outraged human nature may assert itself, as it has in the past and still continues to do, through more

or less criminal deeds of violence and excitement. Gambling, drunkenness, sex morbidity, reckless sabotage, are but some of the ways in which a cramped nature is meeting this phase of modern industrial life.

Among the other major inherent characteristics of mankind for which provision must be made are the herd or social instinct, the spirit of freedom, the spirit of play, and the love of the beautiful. A brief amplification of these characteristics is necessary in order to later disclose what town planning and housing technique must be devised to comply with these fundamental requirements of human nature which we have accepted as authoritative for our direction.

The herd or social instinct is the correlative of the instinct for self-preservation — gregariousness is just as ultimate as acquisitiveness. Man is, indeed, as Aristotle has said, preëminently a social being. The individual man has value in life only as a social complex. From the social whole he has derived his language, traditions, customs. To that he constantly appeals — in coöperation alone can he do his work or find his completest satisfaction. It is not merely that our material existence depends upon society, our food, clothing, shelter, education, pro-

tection; it is rather that the very quality of our minds is social. Solitude is the most cruel form of punishment. To be hated is almost preferable to being neglected. A human being, in so far as he is more than a chemical and physical complex, can be defined only in terms of social relations. He has advanced out of wildness and weakness by virtue of his infinite capacity for coöperation, for mutual aid.

It was this quality which Prince Kropotkin showed to be the dominating surviving factor in pre-historic man — a factor which involved the substitution of tribal property for individual property; and which he tells us resulted, in the prehistoric tribe, in a quality of life, idyllic in its completeness and beauty, and far more Christian than anything we know of in the world today.

Without the opportunity for association and coöperation, man becomes morbid, melancholy, hateful. He needs to give and to receive sympathy according to the cosmic law of love and self-sacrifice; to share and undertake with other human beings all manner of enterprises and activities. Only in social contact can he feel himself a real human being or ever quite truly know his own character. At the basis of all great societies

there have been especially close coöperative units: The Greek state; the Hindu caste, and ryotwar; the Chinese family; the Japanese or Scotch clan; the Russian mir; the Renaissance cities; the American state and the New England town meetings.

Civilization has lost most of this fine inherent spirit of coöperation and in its loss has paid dearly. The long and brutal fight that laborers have had for even free association is a sad story in the history of human oppression. Denied the elemental right of free coöperation, it is not surprising that, when the long-denied power and exhilaration that come from association were discovered, they were for some time put to primitive and imprudent use. From every quarter of the globe and every angle of human experience comes overwhelming testimony to the magnetic and irresistible power of the spirit of coöperation. The mysterious and stubborn persistence of the Bolsheviki is due primarily to the fact that they have capitalized a vast power in the instinct for human brotherhood — a power which a complacent western civilization ignores at its peril. It is a vital, universal, essential human trait. It demands fulfillment on both a large and a small scale. It must not

merely be vast and mechanical, as a great army — it must also be intimate, personal, a daily opportunity in all lives. So precious is this human value of brotherhood and solidity that war has often been defended on the ground that, despite its infinite anguish, it recovers for a distracted civilization the precious unity which an atomistic, scientific industrialism has shattered.

The love of freedom is fully recognized as a universal and powerful character of the nature of mankind and needs to be stressed but little, yet it is so potent that full consideration must be given to it by the town creator. Modern life has imposed upon the original flexible human spirit a rigid, mechanical order, itself artificial, and, despite man's amazing adaptability, in the long run injurious. Time is divided into pieces; we stretch our lives on Procrustean beds of clocks, calendars, routine, programs, institutions — in short, a vast, dispiriting, clanking machinery compels us at every moment. Spontaneity, verve, adventure, imagination are held rigid in iron bands so that the morbid and violent become the only accessible substitutes for a free and natural play of will and fancy.

Once released from uncongenial environ-

ment and all really artificial limitations, the human spirit tends to develop along the lines of its own well-being. Its ultimate ideals are present as driving, animating forces, within it at all times, however concealed. They naturally and powerfully predetermine growth in the right direction. This is not sentimental altruism, but facts of biology, history, and psychology. We are not arguing for dispensing with discipline or training, but simply that, if environment is provided with that which is at all congruous with man's native requirements, his own infinite passion for perfection asserts itself — slowly perhaps, but triumphantly. Man's infinite perfectibility and natural disposition to excellence is one of the profoundest truths in the universe and the one thing that makes any form of slavery outrageous and intolerable.

In accordance with this thesis we must not impose a dogmatic scheme upon the future town. As we believe in the spirit of freedom, we must provide scope for it. Our town must be so planned that social and industrial innovations and adjustments are both feasible and easy. The town planner is only providing the skeleton, the framework, the technique. Each age must fashion

its own order of city as well as each people, and it must be expressive of their own interests, adapted to their own needs. At best we can give the present order its most socially helpful community plans by striving to escape cramping finality.

The so-called political freedom which men think they have enjoyed has become but the sop of industrialism, through which the attention of the workers has been diverted from the fact of the slavery of the wage system. That this situation cannot long obtain, involving as it does the denial of this enormously potent human craving, is evident by the world-wide fomenting spirit of unrest. This is well understood by thinking men everywhere, who know that the consequences of continued frustration of this human need will be measured in the blood and turmoil of revolution. But if men arise who can lead us to an industrial democracy which is a real freedom, then we shall progress by the peace of evolution rather than by the strife of revolution.

The town creator can, as will be shown, make large contribution to the cause of industrial freedom and thereby of peaceful evolution, by the technique which he provides for this purpose in his town plan.

The spirit of play is another basic need of a full and integrated life, provision for which must be made by the town creator, since man cannot live by work alone, all our homilistical industrialists to the contrary. Even the lower order of animals play, and a spontaneous expression of man's personality and emotion is a birthright, which if stolen or thrown away, must now be restored. Whether in sports or avocational hobbies, the worker must have full opportunity for some purely recreational activities. They give zest to life, and, like nothing else, they unify the disorganized and illy balanced life. The town planner must be fertile and ingenious in devising ways and means for the expression of this vital instinct.

The love of the beautiful, like the other major instincts of human kind, must be accorded fullest opportunity of expression and enjoyment if life in its finest sense is to be completely realized, whether it be in his habitation, his work, or his place of recreation. For it has inevitably an unconscious as well as a conscious influence on the quality of his life, making it always better and sweeter. By this is not meant the superimposed kind of beauty expressed through the term "City Beautiful," or some haphazard

irrelevant trimmings in the way of parks and façades introduced as an afterthought indulgence of prosperity. Beauty is not some superimposed ornamentation. It is a quality of one coherent vision that lives through all its parts. The true town beautiful must be a unified whole, planned as a whole with respect to all of its features, fulfilling in a carefully interrelated scheme one coherent character. For such a town beautiful gives fullest scope to the instinct of love of the beautiful and is fit body to the true community-soul, for this esthetic unity which it fulfills is a counterpart of the ethical and logical unity of the community. Both are a complex whole of many parts. Both focus on a central plan composed of many interests. Both hold together a dominant, persuasive character.

This, then, in the largest outline, is the social purpose our scheme is designed to serve — to provide the human flesh and spirit with an opportunity for the objective realization of its own deepest needs and capacities: to create a community in which health and happiness shall be natural and inevitable; where our basic demands for an orderly, integrated life find scope for the exercise and fulfillment of all specifically

human functions; where variety and spontaneity relieve order and regulation; where freedom of every essential kind is protected and nourished; where the vital instinct for coöperation and community loyalty is stimulated and directed; where life for its own sake is worth living. For human life in itself is infinitely precious, not because it leads to something other than itself, as when beings are ground into dividends, but because there are no real values beyond spiritual values. Everything else is instrumental to the perfection of the human spirit, and our general blindness to the truth is the most fearful indictment of our time. Man is an end — not a means. To employ him as a means merely, as if inert material, is an inhuman reversal of the common truth. We must build towns, therefore, not where the worker is stored overnight for fresh production of wealth on the morrow, but where he can live constantly the distinctively human life; where, in short, nothing less than the ideal of Aristotle may prevail, that "a city is a place where men live common lives for noble ends."

The fundamental error of modern industrialism which is responsible, according to Hobson in his "Democracy after War," for

most of the ills of society, such as capitalism, landlordism, militarism, and so forth, is due to the fact that the entire effort of production is motivated by the demoralizing, corroding influence of profit. The most vital function that the town-planner can have today is the provision of that technique for an industrial community, which, while it must conform to the necessary economic demands of feasibility, at the same time produces the means for escape from the demoralizing influence of work for profit and further provides the opportunity of exercising man's creative impulse in creative achievement. It needs to be emphasized that profit has been the creating and sustaining motive of industrialism since its inception. Examined from an ethical point of view, we find that profit, at least as a primary motive, if at all, cannot be morally supported; for, when judged by the product in human misery, which industrialism so motivated has superimposed upon the world for the last hundred years, there is no avoiding its indictment.

The proposed means of escape from the slavery of our industrial system, to be most successful, will involve the acceptance and the use of the present industrial order, as any non-destructive program must entail.

In brief, the proposal is made that each head of a family and the individual worker be provided with enough garden space immediately contiguous to his dwelling to enable him to produce, with the intelligent direction and the coöperation of an agricultural corps of community workers, the larger part of vegetables and small fruits which he and his family consume in the course of a year. Two farms are recommended, one a crop farm and the other a dairy farm which shall be community-owned and community-operated, and in which at all times members of the community will find opportunity for compensable employment, such compensation taking the form of food-products whenever money is not available for payment. In both the private and the community gardens, children of the town will get one phase of their education while at the same time actually producing food commodities of value with which they may supplement the family income.

In addition to these means of livelihood, apart from that of work in the adjacent industries, it is proposed to furnish electric power to a basement workroom of every man's home wherein, in his moments of freedom, he may try his hand at producing those

things which his heart and mind may dictate, and by which, in due season, he will be able to, if not wholly, partially support himself and family. Supplementary provision for experimental efforts in self-support in the home is proposed in a community-owned workshop, which shall be created and equipped with power and tools. Herein the men interested in the same kind of production will naturally congregate for mutual efforts and mutual support.

It is from some such beginning that we might reasonably look for a genuine renaissance of the medieval guild. To some, such proposals for escaping the wage slavery of industrialism and for re-creating the guild method of production may seem fantastic and impractical. However, there are many favorable conditions that would tend to operate to such ends; for instance, intermittent employment, excessively arduous work, or the disagreeable or dehumanizing character of tasks which are likely to be involved by the contiguous industrial plant. When such conditions do obtain, the most enterprising and resourceful of the men engaged in such work would surely seek self-support along the lines herein indicated and, in most cases, would succeed and therein

find the satisfaction which comes from the expression of the creative impulse, a satisfaction that needs no excess compensation in terms of money. Initiated, as the movement undoubtedly would be, by the abler leading spirits of the community, other men of lesser ability and courage would be attracted from industry operated for profit to one or another of the groups which produce commodities for the joy of self-expression and from which their livelihood would come as a secondary and matter-of-course result.

It is our faith, then, that through some such provision of opportunities for industrial freedom there would develop a rational, feasible, logical reincarnation of the old guild idea.

Such an unprecedented concept of industrial transformation and community development would certainly fail of realization were the initial steps of the project not guided by the ablest and friendliest of hands. It is a well-known fact that causes fail time and again from the want of competent agents. For such an undertaking, men are needed who, by the quality of their minds or the evangelical fire of their spirit, predetermine the success of any enterprise to which they give themselves. It is such a

group of men and women who have projected the graduate school of social and political science, to be located in New York City, and who are the type of men and women who, by their mental equipment and their integrity of social purpose, would insure the fullest realization of these high purposes.

II. The Economic Method

The most successful medium for the economical development of good towns that has yet been made use of is the copartnership plan. For nearly fifty years it has been, with some slight modifications and improvement, made use of in the English garden cities and villages, and it has accomplished those things which the program of this proposition has suggested as necessary objectives. By holding all the land of the village collectively, and by leasing instead of selling, no opportunity is ever provided for speculation in land-value increments.

Charter provisions in these towns provide for a limited number of houses per acre, which will effectually and forever prevent congestion of habitations. This, however, in future towns, must be supplemented by an experimental limitation in the floating

population of a community, the limitation being determined, as Socrates has suggested, according to Plato, by that size which would produce the fullest life and yet have the quality of unity. Such a limitation of population, while it might have some disadvantages because of its arbitrary nature, will have many more advantages, such as, for instance, making it possible to provide with finality all of the social and semi-social provisions such as schools, libraries, music halls, gymnasiums, theatres, markets, and the like. With the knowledge of this finality, a higher quality and more permanent character of structure could be provided for public buildings, public parks, and play-spaces.

Modifications of the copartnership plan have been suggested, perhaps as wartime measures, which did not involve having the tenant subscribe to tenant shareholders' stock. Such an alteration of this plan conflicts with one of its most important social aspects, to wit, the making of all tenants shareholding partners in the enterprise, and cannot advisedly be accepted as a proper modification of the copartnership plan.

When this method of organization is made use of, it automatically takes care of the question of taxation through the rent

payment, the taxes being determined by the representatives of the tenant and non-tenant shareholders.

The purpose of taxation, however, is to assign the just and proportionate share of the cost of collective living, and while this has been successfully done in places where land is not sold by appraising the rental values of land, this method is not ideal, since excessive rentals tend to be reimposed upon the people of a community.

An alternate form of taxation which it would be desirable to experiment with is one that would be based upon having all men, women, and children in a community give a certain percentage of their entire time to community work; the percentage being the same, such a tax would be equitable and also proportionate for himself. Such a provision would have the effect of stimulating pride in and love for one's own community, since we love most those people and those things which we serve most. It may be objected that the community might need things which the service of members in the community could not provide. This would be met by allowing payment in amount of the equivalent of a man's time, that time for which he was taxed by the community,

although no man should be allowed to substitute payment for the entire service tax. By such a provision there will never be any question of increase in land-value where the co-partnership plan is made use of and where a broad agricultural and woodland belt of land surrounds a community, so as not to give any increase in land-values to the contiguous territory — a provision, which, as a matter of course, should be made for any new town.

The purpose of government is to accomplish the fullest functioning of the group as to its collective material, physical, and spiritual needs, and to provide for itself every requisite of the good life which the collective efforts would more effectively and beneficially secure than would individual effort. The form of government which would prove most democratic, and yet at the same time practical, is that of the New England town with its town meeting. If the state in which the community exists permits this form, it should be made use of in the beginning. The ultimate goal as to form of government ought to be that which was characteristic of the Old World and the guild. Government arose out of a group of men functioning similarly, and it is by our functions

rather than by more arbitrary methods of determining political groups that we should determine our government. The heads of guilds meet other heads of guilds in the Guilds Hall, and since all are consumers of each others' products, as well as producers of their own products, the community's best welfare is automatically insured. But the entire purpose of this thesis is to set free men so that their natural instincts may be allowed to autonomously provide, not alone their own form of government and taxation, but their entire social and industrial life; therefore little importance can be attached to the initiative policies since they will be, in such a community, eliminated or developed according to their merit and fitness soon after their inauguration.

III. The Physical Plan

This town plan has been designed according to the ideals set forth in the "Social Purpose," wherein the characteristics and the nature of man have been set down as the proper guiding fundamental consideration. The fact that a man is a physical animal is recognized in the commonplace, everyday provisions of the everyday town. The disposition of these provisions has been made

in a more unified and economic way. The position of the shops, markets, banks, theatres, apartments, individual and multiple houses recognize and provide for this physical nature of man.

Provision for the effort to satisfy that universal character of normal mental process toward integration has been in part considered in the design of the town by the unity of its street system and by the fact that each block of the town is made a unit in itself through the tying effect which the community set of buildings, located midway in the block, provides, The unity of plan which makes for integration is further secured by the location of the principal shopping, social, and recreational centers on one main axis. It is further amplified by the centralization of these functions in orderly and logical manner, and again by the segregation of the manufacturing area from the living area, all of which tend to make life in this community an orderly, harmonious whole.

The provision for the transaction of the creative impulse has been made by setting aside land and site for groups of workshops in which the guild form of industry may develop. It is further maintained in the nu-

merous public buildings, planned for music, art, theatricals, and all manner of recreational activities, for even in such forms the creative impulse finds ways of self-expression. The aforementioned considerations of the home and community workshop are perhaps the most important mediums for the satisfaction of this instinct.

The provision for the herd or social instinct has perhaps been the most extensive of all, not only because it is such an important phase of mankind, but its satisfaction is expressed more largely than that of other instincts in the material terms of buildings, parks, recreational fields, etc., and these are fully enumerated and described in the plan.

The provision for the instinct of freedom is most potently expressed in the plan that insures a choice between industrial effort for profit and industrial effort for self-expression. The other provisions for satisfying the spirit of freedom are not expressible in the plan.

The spirit of play has been fully met by placing at hand, contiguous to the home, a park and playgrounds and by providing in the outskirts, contiguous to the larger schools and the great gymnasiums, generous areas for recreation.

APPENDIX D

The love of the beautiful has been afforded satisfaction in the home itself by the grouping of houses and the open spaces surrounding them, the parks and playgrounds affording splendid opportunities for a beautiful background of foliage and the play of shadow and sunshine. The buildings in the social groups are so placed as to insure picturesqueness and charm, while, in the business center, the charm of order and symmetry is provided for.

The economic requisites which feasibility demands have been met by providing a minimum of street area for a maximum of house-frontage perimeter. Streets have been minimized by focusing through traffic on a few diagonal streets of sufficient dimensions. Economy in pedestrian and vehicular traffic has been insured by the focusing of the diagonals and horizontal streets on a series of points rather than upon a single point, and everywhere provision has been made for one-way traffic. An innovation, aiming to further facilitate the movement of traffic, has been introduced by flaring these diagonals for two blocks, up to reaching the point of their objectives. This provision means easy accommodations for the retardation of traffic which takes place

at such points and furthermore makes provision for the increase of standing traffic.

By way of facilitating all manner of experiment in community life, a group of community buildings has been provided in the center of each block. Herein it is proposed that the nursery, the kindergarten, and the primary schools will be placed, with provision for experiment in community laundry, sewing-room, kitchen, and dining-room, also for reading-room, small library and evening school. Herein may develop the nucleus which will make democracy a real and living thing.

In this thesis we have considered housing and town-planning as of far greater import when used as a means to a new social order than as an end in itself. This we believe to be a fundamental and essential attitude toward the problem in our present-day generation when housing has such potent promise as a medium to the new order and the new day.

We have claimed a great deal for the regenerative power of our housing scheme. Beyond all debate, some such undertaking is indispensable to the new social order, yet it would be contrary to our fundamental

principles to insist upon it as a cure-all. True, it will favor and support every reasonable reform — it will, of its own excellence, repair many of the blind cruelties of an uncontrolled industrial order — but new and sounder methods of education, a thoroughgoing application of the new principles of mental hygiene, a strong development of the non-militaristic internation and the consequent removal of pressure that supports many of the most intolerable features of our present social organization — these also are necessary, independent, and supplemental.