

We are not only putting large bodies of our new lands in the hands of the few ; but we are doing our best to keep them there, and to cause the absorption of small farms into large estates. The whole pressure of our revenue system, National and State, tends to the concentration of wealth and the monopolization of land. A hundred thousand dollars in the hands of one man pays but a slight proportion of the taxes which are paid by the same sum in the hands of fifty ; a hundred thousand acres owned by a single landholder is assessed but for a fraction of the amount assessed upon the hundred thousand acres of six hundred farms. Especially is this true of the State of California, where the large handholders are frequently assessed at the rate of one dollar per acre on land for which they are charging settlers twenty or thirty, and where the small farmer sometimes pays taxes at a rate one hundred fold greater than his neighbor of the eleven league ranch. Our whole policy is of a piece—everything is tending with irresistible force to make us a nation of landlords and tenants—of great capitalists and their poverty-stricken employés.

The life of all the older nations shows the bitterness of the curse of land monopolization ; we cannot turn a page of their history without finding the blood stains and the tear marks it has left. But never since commerce and manufactures grew up, and men began to engage largely in other occupations than those connected directly with the soil, has it been so important to prevent land monopolization as now. The tendency of all the improved means and forms of production and exchange—of the greater and greater subdivision of labor, of the enslavement of steam, of the utilization of electricity, of the ten thousand great labor-saving appliances which modern invention has brought forth, is strongly and more strongly to extend the dominion of capital and to make of labor its abject slave. Once to set up in the business of making cloth required only the purchase of a hand-loom and a little yarn, the means for which any journeyman could soon save from his earnings ; now it requires a great factory, costly machinery, large stocks and credits, and to go into business on his own account one must be a millionaire. So it is in all branches of manufacture ; so, too, it is in trade. Concentration is the law of the time. The great city is swallowing up the little towns ; the great merchant is driving his poorer rivals out of business ; a thousand little dealers become the clerks and shopmen of the proprietor of the marble-fronted palace ; a thousand master workmen, the employés of one rich manufacturer, and the gigantic corporations, the alarming product of the new social forces which Watt and Stephenson introduced to the world, are themselves being welded into still more titanic corporations. From present appearances, ten years from now we will have but three, possibly but one railroad company in the United States, yet our young men remember the time when these giants were such feeble infants that we deemed it charity to shelter them from the cold, and feed them, as it were, with a spoon. In the new condition of things what chance will there be for a poor man if our land also is monopolized ?

Of the political tendency of our land policy, it is hardly necessary to speak. To say that the land of a country shall be owned by a small class, is to say that that class shall rule it ; to say—which is the same thing—that the people of a country shall consist of the very rich and the very poor, is to say that republicanism is impossible. Its forms may be preserved ; but the real government which clothes itself with these forms, as if in mockery, will be many degrees worse than an avowed and intelligent despotism.

V.

WHAT OUR LAND POLICY SHOULD BE.

How We Should Dispose of Our New Land.

When we reflect what land is ; when we consider the relations between it and labor ; when we remember that to own the land upon which a man *must* gain his subsistence is to all intents and purposes to own the man himself, we cannot remain in doubt as to what should be our policy in disposing of our public lands.

We have no right to dispose of them except to *actual settlers*—to the men who really want to use them ; no right to sell them to speculators, to give them to railroad companies or to grant them for agricultural colleges ; no more right to do so than we have to sell or to grant the labor of the people who must some day live upon them.

And to actual settlers we should give them. Give, not sell. For we have no right to step between the man who wants to use land and land which is as yet unused, and to demand of him a price for our permission to avail himself of his Creator's bounty. The cost of surveying and the cost of administering the Land Office may be proper charges; but even these it were juster and wiser to charge as general expenses, to be borne by the surplus wealth of the country, by the property which settlement will make more valuable. We can better afford to bear the necessary expenses of the Land Office than we can the expense of keeping useless men-of-war at sea or idle troops in garrison posts. When we can give a few rich bankers twenty or thirty millions a year we can afford to pay a few millions in order to make our public lands perfectly free. Let the settler keep all of his little capital; it is his seed wheat. When he has gathered his crop, then we may take our toll, with usury if need be.

And we should give but in limited quantities. For while every man has a right to as much land as he can properly use, no man has a right to any more, and when others do or will want it, cannot take any more without infringing on their rights. One hundred and sixty acres is too much to give one person; it is more than he can cultivate; and our great object should be to give every one an opportunity of employing his own labor, and to give no opportunity to any one to appropriate the labor of others. We cannot afford to give so much in view of the extent of the public domain and the demand for homes yet to be made upon it. While we are calling upon all the world to come in and take our land, let us save a little for our own children. Nor can we afford to give so much in view of the economic loss consequent upon the dispersion of population. Four families to the square mile are not enough to secure the greatest return to labor and the least waste in exchanges. Eighty acres is quite enough for any one, and I am inclined to think forty acres still nearer the proper amount.

There should be but this one way of disposing of the agricultural lands. None at all should be given to the States, except such as was actually needed for sites of public buildings; none at all for school funds or agricultural colleges. The earnings of a self-employed, independent people, upon which the State may at any time draw, constitute the best school fund; to diffuse wealth so that the masses may enjoy the luxury of learning is the best way to provide for colleges.

Some Objections.

It will be said: If the public land is to be morselled out in this way, what is to be done for stock ranches and sheep farms? There will be the unused land, the public commons. Let the large herds and flocks keep upon that, moving further along as it is needed for settlement. But there would be plenty of stock kept on eighty-acre or even forty-acre farms. In Belgium each six-acre farmer has his cow or two of the best breed, and kept in the best condition.

And it may be said: There is some land which requires extensive work for its reclamation. Capital cannot be induced to undertake this work if the land be given away in small pieces. But if capital cannot, labor can. The most difficult reclamation in the world—that of turning the shifting sands of the French sea coast into gardens has been done by ten and twelve-acre farmers. Observe that it is proposed to give the lands only to actual settlers. Is there any of our land which requires for its reclamation greater capital than that involved in the labor of sixteen men to the square mile, working to make themselves homes? The cost of reclaiming the swamp lands of California, which has been made an excuse for giving them away by the hundred thousand acres, does not in most cases equal the cost of the fencing required on the uplands. Let men be sure that they are working for themselves, give them a little stake in the general prosperity, and labor will combine intelligently and economically enough.

How Settlement Would Go On.

Under such a policy as this, settlement would go on regularly and thoroughly. Population would not in the same time spread over as much ground as under the present policy; but what it did spread over would be well settled and well cultivated. There would be no necessity for building costly railroads to connect settlers with a market. The market would accompany settlement. No one would go out into the wilderness, to brave all the hardships and discomforts of the solitary frontier life; but *with the foremost line of settlement* would go church and school-house and lecture-room. *The ill-paid overworked mechanic of the city could find a home on the soil,*

where he would not have to abandon all the comforts of civilization, but where there would be society enough to make life attractive, and where the wants of his neighbors would give a market for his surplus labor until his land began to produce; and to tell those who complain of want of employment and low wages to make for themselves homes on the public domain would then be no idle taunt.

Consider, too, the general gain from this mode of settlement. How much of our labor is now given to transportation, and wasted in various ways, because of the scattering of our population which land grabbing has caused?

Something Still More Radical Needed.

But still the adoption of such a policy would effect only the land that is left us. It would be preventive, not remedial. It would still leave the great belts granted to railroads, the vast estates such as those with which California is cursed, and the large bodies of land which everywhere have been made the subject of speculation. It would leave, moreover, still in full force, the tendency which is concentrating the ownership of the land in a few hands in the older settled States. And further than this, I hardly think, agitate as we may, that we can secure the adoption of such a preventive policy until we can do something to make the monopolization land unprofitable.

What we want, therefore, is something which shall destroy the tendency to the aggregation of land, which shall break up present monopolization, and which shall prevent (by doing away with the temptation) future monopolization. And as arbitrary and restrictive laws are always difficult to enforce, we want a measure which shall be equal, uniform and constant in its operation; a measure which will not restrict enterprise, which will not curtail production, and which will not offend the natural sense of justice.

When our 40,000,000 of people have to raise \$800,000,000 per year for public purposes* we cannot have any difficulty in discovering such a remedy, in the adjustment of taxation.

A Lesson from the Past.

Let us turn for a moment from the glare of the Nineteenth Century to the darkness of mediæval times. The spirit of the Feudal System dealt far more wisely with the land than the system which has succeeded it, and rude outcome of a barbarous age though it was, we may, remembering the difference of times and conditions, go back to it for many valuable lessons. The Feudal System annexed duties to privileges. In theory, at least, protection was the corollary of allegiance, and honor brought with it the obligation to a good life and noble deeds, while the ownership of land involved the necessity of bearing the public expenses. One portion of the land, allotted to the Crown, defrayed the expenses of the State; out of the profits of another portion, allotted to the military tenants, the army was provided and maintained; the profits of a third portion, given to religious uses, supported the Church and relieved the sick, the indigent and the wayworn, while there was a fourth portion, the commons, of which no man was master, but which was free to all the people. The great debt, the grinding taxation, which now falls on the laboring classes of England, are but the results of a departure from this system. Before Henry VIII suppressed the monasteries and enclosed the commons there were no poor laws in England and no need for any; until the crown lands were got rid of there was no necessity for taxation for the support of the government; until the military tenants shirked the condition on which they had been originally permitted to reap the profits of land ownership, England could at any time put an army in the field without borrowing and with taxation; and a recent English writer has estimated that had the feudal tenures been continued, England would have now had at her command a completely appointed army of six hundred thousand men, without the cost of a penny to the public treasury or to the laboring classes. Had this system been continued the vast war expenses of England would have come from the surplus wealth of those who make war; the expenses of Government would have borne upon the classes who direct the government; and the deep gangrene of pauperism, which perplexes the statesman and baffles the philanthropist, would have had no existence. England would have been stronger, richer, happier. Why should we not go back to the old system, and charge the expenses of government upon our lands?

* Estimate of Commissioner Wells.

If we do, we shall go far towards breaking up land monopoly and all its evils, and towards counteracting the causes now so rapidly concentrating wealth in a few hands. We shall raise our revenues by the most just and the most simple means, and with the least possible burden upon production.

Taxation of Land Falls only on its Owner.

There is one peculiarity in a land tax. With a few trifling exceptions of no practical importance it is the only tax which must be paid by the holder of the thing taxed. If we impose a tax upon money loaned, the lender will charge it to the borrower, and the borrower must pay it, otherwise the money will be sent out of the country for investment, and if the borrower uses it in his business he, in his turn, must charge it to his customers or his business becomes unprofitable. If we impose a tax upon buildings, those who use them must pay it, as otherwise the erection of buildings becomes unprofitable, and will cease until rents become high enough to pay the regular profit on the cost of building and the tax besides. But not so with land. Land is not an article of production. Its quantity is fixed. No matter how little you tax it there will be no more of it; no matter how much you tax it there will be no less. It can neither be removed nor made scarce by cessation of production. There is no possible way in which owners of land can shift the tax upon the user. And so while the effect of taxation upon all other things is to increase their value, and thus to make the consumer pay the tax—the effect of a tax upon land is to reduce its value—that is, its selling price, as it reduces the profit of its ownership without reducing its supply. It will not, however, reduce its renting price. The same amount of rent will be paid; but a portion of it will now go to the State instead of to the landlord. And were we to impose upon land a tax equal to the whole annual profit of its ownership, land would be worth nothing and might in many cases be abandoned by its owners. But the users would still have to pay as much as before—paying in taxes what they formerly paid as rent. And reversely, if we were to reduce or take off the taxes on land, the owner, not the user, would get the benefit. Rents would be no higher, but would leave more profit, and the value of land would be more.

Land Taxation the Best Taxation.

The best tax is that which comes nearest to filling the three following conditions:

That it bear as lightly as possible upon production.

That it can be easily and cheaply collected, and cost the people as little as possible in addition to what it yields the Government.

That it bear equally—that is according to the ability to pay.

The tax upon land better fulfills these conditions than any tax it is possible to impose.

1.—As we have seen, it does not bear at all upon production—it adds nothing to prices, and does not affect the cost of living.

2.—As it does not add to prices, it costs the people nothing in addition to what it yields the Government; while as land cannot be hid and cannot be moved, it can be collected with more ease and certainty, and with less expense than any other tax.

3.—A tax upon the value of land is the most equal of all taxes, not that it is paid by all in equal amounts, or even in equal amounts upon equal means, but because the value of land is something which belongs to all, and in taxing land values we are merely taking for the use of the community something which belongs to the community, but which by the necessities of our social organization we are obliged to permit individuals to hold.

Of course, in speaking of the value of land, I mean the value of the land itself, not the value of any improvement which has been made upon it—I mean what I believe is sometimes called in England the *unearned* value of land.

From its very nature it must be apparent that property in land differs essentially from other property, and if the principles I have endeavored to state in the third section of this paper are correct, it must be evident that it is not unjust to impose taxes upon land values which are not imposed on other property. But as the proposition may be somewhat startling, it may be worth while to dwell a little on this point.

Of the Justice of Taxing Land.

Here is a lot in the central part of San Francisco, which, irrespective of the building upon it is worth \$100,000. What gives that value? Not what its owner has done,* but the fact that 150,000 people have settled around it. This lot yields its owner \$10,000 annually. Where does this \$10,000 come from? Evidently from the earnings of the workers of the community, for it can come from no where else.

Here is a lot on the outskirts. It is in the same condition in which nature left it. Intrinsically it is worth no more than when there were but a hundred people at Yerba Buena Cove. Then it was worth nothing. Now, that there are 150,000 people here and more coming, it is worth \$3,000. That is, its owner can command \$3,000 worth of the labor or of the wealth of the community. What does he give for this? Nothing; the land was there before he was.

Suppose a community like that of San Francisco, in which land though in individual hands as now, has no value. Suppose, then, that all at once the land was given a value of, say \$150,000,000, which is about the present value of land in San Francisco. What would be the effect? That a tax, of which \$150,000,000 is the capitalized value, would be levied upon the whole community for the benefit of a portion. There would no more wealth in the community than before, and no greater means of producing wealth. But of that wealth, beyond the share which they formerly had, the land-owners would now command \$150,000,000. That is, there would be \$150,000,000 less for other people who were not land-holders.

And does not this consideration of the nature and effect of land values go far to explain the puzzling fact that notwithstanding all the economies in production and distribution which a dense population admits, just as a community increases in population and wealth, so does the reward of the laborer decrease and poverty deepen.

One hundred men settle in a new place. Land has at first little or no value. The net result of their labor is divided pretty equally between them. Each one gets pretty nearly the full value of his contribution to the general stock. The community becomes 100,000. Land has become valuable, its value perhaps aggregating as much as the value of all other property. The production of the community may now be more per capita for each individual who works, but before the division is made, one-half of the product must go to the land-holders. How then can the laborer get so much as he could in the small community?

Now in this view of the matter—considering land values as an indication of the appropriation (though doubtless the necessary appropriation) of the wealth of all; considering land rentals as a tax upon the labor of the community, is not a tax upon land values the most just and the most equal tax that can be levied? Should we not take that which rightfully belongs to the whole before we take that which rightfully belongs to the individual? Should we not tax this tax upon labor before we tax productive labor itself?

That the value of our lands, even the "necessary value" which it would have when stripped of speculative value, would easily bear the whole burden of taxation, there can be no doubt. The statistics are too confused and too unreliable to enable us to judge accurately, of the value of land as compared with the value of other property; but we have high authority for the belief that the value of our land is equal to the value of all other property, including the improvements upon it. The New York Commissioners for the Revision of the Revenue Laws—David A. Wells, Edwin Dodge and George W. Cuyler, the first named of whom as United States Special Commissioner of the Revenue, has had better opportunities for studying all matters connected with taxation than any other man in the United States—say in their report, rendered this year: "A careful consideration and study of the nature and classification of property inclines the Commissioners to indorse the correctness of an opinion which appears to have been originally proposed by a financial writer of New York [George Opdyke] as far back as 1851, viz.: 'That universally the market value of the aggregate of land and that of the aggregate of productive capital are equal.'"[†]

* Though he may have done some part, as in grading, etc.

† By "productive capital" Opdyke means all property other than land. In his Treatise on Political Economy he says: "The statistics presented by assessments of property for the purposes of taxation invariably exhibit the estimated value of land and its meliorations under the head of 'real estate,' and the estimated value of all other productive capital under the head of 'personal estate.' Thus divided, we may readily infer that the value of real estate greatly exceeds that of personal estate, and so these statistics invariably indicate. But if we take the estimate for any given village, town or city, and from the gross value of the real estate deduct the value of the buildings, and add to it the personal estate, we shall then find them equal, provided the assessment has been correctly made, which by the way, very rarely occurs."

After citing examples from New York and Cincinnati, he goes on to say: "It is thus of all"

And it may be here remarked, that these New York Commissioners in their elaborate report recommend the total abolition of the tax on personal property on the ground (which has been proved in every State in the Union, and, in fact by every nation of ancient or modern times) that it is utterly impossible to collect it with any degree of fullness and anything like fairness, and that the attempt to do so results in injury both to the material and the moral interests of the community. They propose instead of the tax on personal property, to tax every individual on an amount three times as great as the annual rental of the house or place of business he occupies, and present a strong array of reasons to show that this would be a much more equitable and productive mode of taxation. Better still, for the reasons I have given, to abandon the attempt to tax personal property or anything in lieu of it, and to put the bulk of taxation entirely on land values.

Nevertheless, after all that can be said, it must be confessed that there would be some slight injustice in doing so. I had ten thousand dollars, let us say, which I might have put out at high interest, or invested in my business. Supposing the existing policy would be continued, I bought land with it, calculating that in a few years, when population became greater, people would be glad to buy it of me for a much higher price, or give me one-fourth of the crop for the privilege of cultivating it. You now impose taxation, which will lower the value of my land. If you do this, you make my speculation less profitable than others I might have gone into, and thus do me injustice, for you gave me no notice.

This is true, and it is this consideration which makes men like John Stuart Mill shrink from the practical application of deductions from their own doctrines, and propose that in resuming their ownership of the land of England, the people of England shall pay its present proprietors not only its actual value, but also the present value of its prospective increase in value. But if we once do a public wrong, we can never right it without doing somebody injustice. England sought to right the wrong of slavery without injustice to the slaveholders who had invested their capital in human flesh and blood. She succeeded by making them pecuniary compensation; but in doing this she did a worse injustice to her own white slaves on whom the burden of the payment has been imposed. And by shrinking from doing this slight injustice which would affect but very few people in the community, and those most able to stand it, we continue a ten thousand fold greater injustice; and the longer we delay action, the greater will be the injustice which we must do.

Of some Exemptions, and some Additions.

For the purpose of making it still more sure that taxation should not bear heavily upon any one; for the purpose of making still further counteracting the tendency to the concentration of wealth, and for the purpose of securing as far as possible to every citizen an interest in the soil, there should be a uniform exemption to a small amount made to each land-holder—perhaps a smaller amount in the cities, where land is only used for residences and business purposes, than in the country, where labor is directly applied to the land. Those whose land did not exceed in value this minimum would have no taxes to pay; those whose land did, would pay upon the surplus. This would reverse the present effect of our revenue system, and tend to make the holding of land in large bodies less profitable than the holding of it in small bodies.

And while, perhaps, it might not be wise to attempt to limit the accumulations of any individual during his lifetime, or at any rate, it is not yet necessary to try the experiment, there should be a very heavy duty, amounting to a considerable part of the whole levied upon the estates of deceased persons, and in the case of intestates, the whole should escheat to the State, where there were no heirs of the first or second degree.

There is still another source from which a large revenue might be harmlessly drawn—license taxes upon such businesses as it is public policy to restrict and discourage, such as liquor selling, the keeping of gambling houses, (where this cannot be prevented,) etc. All other taxes of whatever kind or nature, whether National, State, County, or Municipal, might then be swept away.

cities, towns and villages throughout the civilized world; and it is thus in all agricultural districts, but in these the land and its meliorations are so much more intimately blended that we cannot perceive the facts so readily. The truth is, the market value of land is merely the reflection of the value of the productive capital placed upon it and its immediate vicinity. It has no real value of its own; it costs nothing to produce; but since the laws have endowed it with the vital principle of wealth by subjecting it to individual ownership, it can no longer be obtained without giving in exchange for it an equivalent portion of the capital present and designed to concur with it in the production of wealth."

The Effects of Such a Change.

Consider the effects of the adoption of such a system :

The mere holder of land would be called on to pay just as much taxes as the user of land. The owner of a vacant city lot would have to pay as much for the privilege of keeping other people off it till he wanted to use it, as his neighbor who has a fine house upon his lot, and is either using or deriving rent from it. The monopolizer of agricultural land would be taxed as much as though his land were covered with improvements, with crops and with stock.

Land prices would fall ; land speculation would receive its death-blow ; land monopolization would no longer pay. Millions and millions of acres from which settlers are now shut out, would be abandoned by their present owners, or sold to settlers on nominal terms. It is only in rare cases that it would pay any one to get land before he wanted to use it, so that those who really wanted to use land would find it easy to get.

The whole weight of taxation would be lifted from productive industry. The million dollar manufactory, and the needle of the seamstress, the mechanic's cottage, and the grand hotel, the farmer's plow, and the ocean steamship, would be alike untaxed. All would be free to buy or sell, to make or save, unannoyed by the tax-gatherer.

Imagine this country with all taxes removed from production and exchange ! How demand would spring up ; how trade would increase ; what a powerful stimulus would be applied to every branch of industry ; what an enormous development of wealth would take place. Imagine this country free of taxation, with its unused land free to those who would use it ! Would there be many industrious men walking our streets, or tramping over our roads in the vain search for employment ? Would we hear much of stagnation in business, and of "over production" of the things that millions of us want ? Consider the enormous gain which would result from leaving capital and labor, untrammelled by tax or restriction, to seek the most remunerative fields ; the enormous saving which would result from the settling of people near each other, as they would settle, if any one could get enough unused land for his needs, and it would pay nobody to get any more.

Consider the effects of this policy on the distribution of wealth—directly, by reversing the effect of taxation—which is now to make the poor, poorer, and the rich, richer ; indirectly, by freeing and cheapening land, and thus putting labor in a position to make better terms with capital. And consider how equalization in the distribution of wealth would react on production—how it would lessen the great army of involuntary idlers ; how it would increase the vigor and industry and skill of workers ; for poorly rewarded labor is poor labor all the world over, and the greater its reward, the greater the efficiency of labor. Consider, too, the moral effects : Sharp alternations of wealth and poverty, breed vice and crime, as surely as they breed misery. Personal independence is the foundation of all the virtues. Deep poverty brutalizes men. Where it exists, the preacher will preach in vain ; and the philanthropist will toil in vain ; they are dumping their good words and good deeds into such a Slough of Despond as Pilgrim saw.

Who would Gain and who would Lose.

That the policy proposed would be to the advantage of all who do not hold land is clear enough. But it must not be imagined that all who hold land would lose. On the contrary, the large majority of land-holders would be gainers. Whether a land-holder would gain or lose, would depend upon whether his interest as a land-holder, which would be adversely affected, was greater or less than his other interests, which would be beneficially affected. The man who owns a house and lot of equal value would have less taxes to pay if taxation were taken off of buildings and put on land, as the aggregate value of land is greater than that of buildings. His homestead would sell for less than before, but the money it sold for would buy just as good a house and lot as before ; so that, if his intention is to always keep a homestead, he would not lose anything by the shrinkage in its value ; or even if it was not, he would not have to keep it long before his gain on taxes would make up for the loss in value. While, if he was a mechanic, engaged in or connected with any of the building trades, he would gain in more constant work and better wages by the stimulus which the exemption of improvements from taxation, and the reduction in the value of land would

give to building. Or if he kept a store, or was engaged in any business or profession, he would gain by the quickened growth and increased activity of the community.

And if taxes were removed from everything but land, (with the exceptions and exemptions I have before indicated) the gain would be largely greater. Let the farmer, the mechanic, the manufacturer, or the business man, who is also a land owner, calculate how much he pays of the taxes which enter into the cost of everything he buys, or in any way uses, and how much he loses by the restrictive effect which those taxes have upon all industry and business. Then let him set against this amount, which he now pays and loses, the additional amount which he would pay as taxes on land, or which he would lose by the reduction of its value, were all taxes placed upon land. Did they make this calculation, three out of every four of those who own land would see they would be gainers. For as yet the class whose other interests are subordinate to their interest in the high value of land is really small. And it must be remembered that were our whole revenue raised by a direct land tax, the amount taken from the people in order to give the same amount to the Government would be very much smaller than now, and that there would be a positive increase in wealth, a large share of which would go to the land-owners who would have additional taxes to pay.

What Can be Done at Once.

The more the matter is considered, the more, I think, it will appear that all our taxation, or at least the largest part of it, should be placed upon land values. By doing so we would substitute the best possible revenue system for our present cumbersome, unjust, wasteful and oppressive modes of taxation; we would, without resort to special and arbitrary laws, prevent and break up land monopolization, and we would, at the same time, and in the same simple, just way, do a great deal to counteract the alarming tendency to the concentration of wealth in a few hands, which is now so apparent.

Nevertheless, the application of this remedy is not yet practicable. We are so used to look upon land as upon other property, so accustomed to consider its enhancement in value as a public gain, that it will take some time to educate public opinion up to the proper point to permit this; and even then there will be constitutional difficulties to be removed.

But in the meantime, we can do something to check the progress of land monopolization, and even to break it up. So far as the General Government is concerned, we can insist that no more land grants be made on any pretext or for any purpose; but that all of the public domain still left to us shall be reserved for the small farms of actual settlers. We can go further, and demand that something be done to open to settlers the great belts which have been already handed over to railroad corporations. These grants in the first place, outraged natural justice, and Congress had no more right to make them, than Catherine of Russia had to give away her subjects to her paramours and courtiers, or than the Pope had to divide the Southern Hemisphere between the Spanish and the Portuguese. We should be perfectly justified in taking this land back, throwing it open to settlers upon Government terms, and paying the companies the Government price. Such an operation would largely increase our debt; but the money would be well expended. If this cannot be done, the land can at least be immediately surveyed, so that settlers can find the Government sections, and the right of the Companies to land reserved for them be declared subject to State taxation.

In this monopoly-cursed State of ours, we may at once do a great deal to free our land. By restricting possessory rights to the maximum amount allowed by the General Government to pre-emptors, and by demanding payment for the large tracts now held by speculators under five-dollar certificates, or the payment of twenty per cent. of the purchase money, the Legislature could, in the first week of its session, throw open to settlers some millions of acres now monopolized.* And millions of acres more would be forced into market if its holders were only compelled to pay upon their land the same rate of taxation levied upon other property. The Board of Equalization created by the last Legislature, is endeavoring to secure the proper assessment of these large tracts; but the law under which it works is defective, and the Constitutional requirement of the election of County Assessors is very much in the way of a thorough reform, perhaps makes it impossible. But as under our Constitution as interpreted by the Supreme Court, all property must be taxed equally, we can do no more than this to break up large estates until the Constitution is amended.

*Under the decisions of the Department, land within the exterior limits of Spanish grants, and included in railroad reservations, does not go to the Railroad Company when the grant is confined to its real limits, or is rejected, but becomes open to settlement.

The Necessity of a Radical Remedy.

There are many who will think that if we do these things, or even if we merely do something to check the grosser abuses in the disposition of our new land, we shall have done all that is necessary. I wish to call the attention of those who thus think to a certain class of facts :

There is a problem which must present itself to every mind which dwells upon the industrial history of the present century ; a problem into which all our great social, industrial, and even political questions run—which already perplexes us in the United States ; which presses with still greater force in the older countries of Europe ; which, in fact, menaces the whole civilized world, and seems like a very riddle of the Sphinx, which fate demands of modern civilization, and which not to answer, is to be destroyed—the problem of the proper distribution of wealth.

How is it that the increase of productive power, and the accumulation of wealth seem to bring no benefit, no relief to the working classes; that the condition of the laborer is better in the new and poor country, than in the old and rich country? That in a country like Great Britain, whose productive power has been so enormously increased, whose surplus wealth is lent to all the world, and whose surplus productions are sent to every market, pauperism is increasing in England, while one-third of the families of Scotland live in a single room each, and one-third more in two rooms each.* How is it that, though within the century steam machinery has added to the productive force of Great Britain a power greater than that of the manual labor of the whole human race, that the toil of mere infants is cruelly extorted—that cultivation in the richest districts is largely carried on by gangs of women and children, in which mere babies are worked under the lash; that little girls are to be found wielding sledge hammers, and little boys toiling night and day in the fearful heat of glass furnaces, or working to the extreme limit of human endurance in fetid garrets and damp cellars, at the most monotonous employments—children who work so early and work so hard that they know nothing of God, have never heard of the Bible, call a violet a pretty bird, and when shown a cow in a picture, think it must be a lion;† children whose natural protectors have been changed by brutalizing poverty and the want that knows no law, into the most cruel of taskmasters?

Why is it that in the older parts of the United States we are rapidly approximating to the same state of things? Why is it that, with all our labor-saving machinery, all the new methods of increasing production which our fertile genius is constantly discovering—with all our railroads, and steamships, and power looms, and sewing machines, our mechanics cannot secure a reduction of two hours in their daily toil; that the general condition of the working classes is becoming worse instead of better; and the employment of women and children at hard labor is extending; that though wealth is accumulating, and luxury increasing, it is becoming harder and harder for the poor man to live?

A very Sodom's apple seems this "progress" of ours to the classes that have the most need to progress. We have been "developing the country" fast enough. We have been building railroads, and peopling the wilderness, and extending our cities. But what is the gain? We count up more millions of people, and more hundreds of millions of taxable property; our great cities are larger, our millionaires are more numerous, and their wealth is more enormous; but are the masses of the people any better off? Is it not so notoriously true that we accept the statement without question, that just as population increases and wealth augments—just in proportion as we near the goal for which we strive so hard, that poverty extends and deepens, and it becomes harder and harder for a poor man to make a living?

That the startling change for the worse that has come over the condition of the masses of the United States in the last ten years is attributable in some part to the destruction caused by the war, and in much greater part to stupid, reckless, wicked legislation, there can be no doubt. The whole economic policy of the General Government—the management of the debt and of the currency, the imposition of a tariff which is oppressing all our industry, and actually killing many branches of it, the immense donations to corporations—has tended with irresistible force, as though devised for the purpose, to make a few the richer and the many the poorer; to swell the gains of a few rich capitalists, and make hundreds of thousands of willing workmen stand with idle hands.

*Census of 1861. See Journal of Statistical Society, vol. 32.
†Report Children's Employment Commission.

But beneath and beyond these special causes, we may see, as could be seen before the war had given the money power an opportunity and excuse for wresting the machinery of Government to its own selfish ends, the working of some general tendency, observable all over the world, and most obvious in the countries which have made the greatest advances in productive power and in wealth.

What is the cause or the causes of this tendency? If we say, as many of the economists say, that it is over population in England—that the working classes get married too early and have too many children—what is it in the United States? If we say that in the United States it is solely due to special conditions, what is it in Australia and other countries of widely differing circumstances?

Now, although there are undoubtedly other general causes, such as the tendency of modern processes to require greater capital and rarer administrative ability, to offer greater facilities for combination, and give more and more advantage to him who can work on a large scale; yet if the principles previously stated are correct, are we not led irresistibly to the conclusion that the main cause of this general tendency to the unequal division of wealth lies in the pursuance of a wrong policy in regard to land—in permitting a few to take and to keep that which belongs to all; in treating the power of appropriating labor as though it were in itself labor-produced wealth? Is not this mistake sufficient of itself to explain most of the perplexing phenomena to which I have alluded?

When land becomes fully monopolized as it is in England and Ireland—when the competition between land-users becomes greater than the competition between land-owners, whatever increase of wealth there is must go to the land-owner or to the capitalist, the laborer gets nothing but a subsistence. Amid lowing herds he never tastes meat, raising bounteous crops of the finest wheat, he lives on rye or potatoes; and where steam has multiplied by hundreds and by thousands manufacturing power, he is clad in rags, and sends his children to work while they are yet infants. No matter what be the increase in the fertility of the soil, no matter what the increase in product which beneficent inventions cause, no matter even if good laws succeed bad laws, as when free trade succeeds protection, as has been the case in Great Britain, all the advantage goes to the land-owner; none to the landless laborer, for the ownership of the land gives the power of taking all that labor upon it will produce, except enough to keep the laborer in condition to work, and anything more that is given is charity. And so increase in productive power is greater wealth to the land-owner—more splendor in his drawing rooms, more horses in his stables and hounds in his kennels, finer yachts, and pictures and books—more command of everything that makes life desirable; but to the laborer it is not an additional crust.

And where land monopolization has not gone so far, steadily with the increase of wealth goes on the increase of land values. Every successive increase represents so much which those who do not produce may take from the results of production, measures a new tax upon the whole community for the benefit of a portion. Every successive increase indicating no addition to wealth, but a greater difference in the division of wealth, making one class the richer, the others the poorer, and tending still further to increase the inequality in the distribution of wealth—on the one side, by making the aggregations of capital larger and its power thus greater, and on the other, by increasing the number of those who cannot buy land for themselves, but must labor for or pay rent to others, and while thus swelling the number of those who must make terms with capital for permission to work, at the same time reducing their ability to make fair terms in the bargain.

Need we go any further to find the root of the difficulty? to discover the point at which we must commence the reform which will make other reforms possible? And while, on the one hand, the recognition of the main cause of the inequality in the distribution of wealth which is becoming a disease of our civilization, condemns the wild dreams of impracticable socialisms, and the impossible theories of governmental interference to restrict accumulation and competition and to limit the productive power of capital, by discovering a just and an easy remedy; on the other hand, the spread of such theories should admonish those who consider the remedy of a common sense policy in regard to land as too radical of the necessity of making some attempt at reform. This great problem of the more equal distribution of wealth must in some way be solved, if our civilization, like those that went before it, is not to breed the seeds of its own destruction. In one way or another the attempt must be made—if not in one way, then in another. The spread of education, the growth of democratic sentiment, the weakening of the influences which lead men to accept the existing condition of things as *divinely appointed, insure that, and the general uneasiness of labor, the growth of trade-unionism, the spread of such societies as the International prove it!* The terri-

ble struggle of the Paris commune was but such an attempt.* And in the light of burning Paris we may see how it may be that this very civilization of ours, this second Tower of Babel, which some deem reaches so far towards heaven that we can plainly see there is no God there, may yet crumble and perish. How prophetic, in view of those recent events, seem the words of Macauley, when, alluding to Gibbons' argument that modern civilization could not be overturned as was the ancient, he declared that in the very heart of our great cities, in the shadow of palaces, libraries and colleges, poverty and ignorance might produce a race of Huns fiercer than any who followed Attila, and of Vandals more destructive than those led by Genseric.

The Past and the Future of the Nation.

Five years must yet pass before we can celebrate the hundredth anniversary of the Republic. A century ago, as the result of nearly two hundred years of colonization, the scarce three million people of the thirteen colonies but fringed the Atlantic seaboard with their settlements. Pittsburg was to them the Far West, and the Mississippi as little known as is now the great river that through a thousand miles of Arctic solitudes, rolls sluggishly to its mouth in our newly acquired Northern possessions.

Looking back over the history of the great nations from whom we derive our blood, our language, and our institutions, and a hundred years seems but a small span. A hundred years after the foundation of the city, and Rome had scarce begun her conquering mission; a hundred years after the Norman Invasion, and the England of the first Plantagenet differed but little from the England of the Bastard.

How wondrous seems our growth when compared with the past! So wondrous, so unprecedented, that when the slow lapse of years shall have shortened the perspective, and when in obedience to altered conditions, the rate of increase shall have slackened, it will seem as though in our time the very soil of America must have bred men.

We have subdued a Continent in a shorter time than many a palace and cathedral of the Old World was a building; in less than a century we have sprung to a first rank among the nations; our population is increasing in a steady ratio; and we are carrying westward the center of power and wealth, of luxury, learning and refinement, with more rapidity than it ever moved before.

We look with wonder upon the past. When we turn to the future, imagination fails, for sober reason with her cold deductions goes far beyond the highest flights that fancy can dare, and we turn dazzled and almost awe-struck from the picture that is mirrored. Judging from the past, in all human probability there will be on this continent, a century from now, four or five, perhaps five or six, hundred million English-speaking people, stretching from the isothermal line which marks the northern limit of the culture of wheat, to the southern limit of the semi-tropical climate. Four or five hundred million people, with the railroad, the telegraph, and all the arts and appliances that we now have, and with all the undreamed of inventions which another century such as the past will develop. Beside the great cities of such a people, the Paris of to-day will be a village, the London, a provincial town, and to the political power which will grow up, if these people remain under one government, the great nations of Europe will occupy such relative positions as the South American States now hold to the great Republic of the North.

Yet we should never forget that we have no exemption from the difficulties and dangers which have beset other peoples, though they may come to us in somewhat different guise. The very rapidity of our growth should admonish us that though we are still in our youth, our conditions are fast changing; the very possibilities of our future warn us that this is the appointed theatre upon which the questions that perplex the world, must be worked out, or fought out. What good, or what evil, we of this generation do, will appear in the next on an enormously magnified scale. The blunders that we are carelessly making, saying "these things will right themselves in time," will indeed right themselves; but how? How was the wrong of slavery righted

* And this French struggle also shows the conservative influence of the diffusion of landed property. The Radicals of Paris were beaten by the small proprietors of the provinces. Had the lands of France been in the hands of a few, as the first revolution found it, the raising of the red flag on the Hotel de Ville would have been the signal for a Jacquesire in every part of the country. So conscious are the extreme Reds of the conservative influence of property in land that they have for a long time condemned as a fatal mistake the law of the first Republic which provided for the equal distribution of land among heirs, not because it has not improved the condition of the peasantry, but because the improvement in their condition and the interest which their possession of land gives them in the maintenance of order disposes them to oppose the violent remedies which the workmen of the cities think necessary.

in the United States? The whole history of mankind, with its story of fire and sword, of suffering and destruction, is but one continued example of how national blunders and crimes work themselves out. On the smaller scale of individual life and actions, the workings of Divine justice are sometimes never seen; but sure, though not always swift, is the Nemesis that with tireless feet, follows every wrong doing of a people.

The American people have had a better chance and a fairer field than any nation that has gone before. Coming to a new world with all the experiences of the old; possessed of all the knowledge and the arts of the most advanced of the families of men, the temperate zone of an immense continent lay before them, where unembarrassed by previous mistakes, they might work out the problem of human happiness by the light of the history of two thousand years. Yet nobly and well as our fathers reared the edifice of civil and religious liberty, true ideas as to the treatment of land, the very foundation of all other institutions, seem never to have entered their minds. In a new country where nothing was so abundant as land, and where there was nothing to suggest its monopolization, the men who gave direction to our thought and shaped our polity, shook off the idea of the divine right of kings without shaking off that of the divine right of land-owners. They promulgated the grand truth that all men are born with equal rights to life, liberty, and the pursuit of happiness, without promulgating the doctrines in respect to land which alone could maintain those rights as a living reality; they instituted a form of government, based on the theory of the independence and virtue of the masses of the people without imposing those restrictions upon land monopolization which alone can keep the masses virtuous and independent. They laid the foundations for a glorious house; but they laid them in the sand.

Already we can see that the rains will come, the winds will blow. We see it in the increase of the renting system in agriculture; in the massing of men in the employ of great manufacturers; in the necessity under which thousands of our citizens lie of voting, and even of speaking on political matters, as their employers dictate;* in the marked differentiation of our people in older sections into the rich and the poor; in the evolution of "dangerous classes" in our large cities; in the growth of enormous individual fortunes; in the springing up of corporations which dwarf the States, and fairly grapple the General Government; in the increase of political corruption; in the ease with which a few great rings wreat the whole power of the nation to their aggrandizement.

Go to New York, the greatest of our American cities, the type of what many of them must soon be, the best example of the condition to which the whole country is tending—New York, where men build marble stables for their horses, and an army of women crowd the streets at night to sell their souls for the necessities which unremitting toil, such as no human being ought to endure, will not give them—where a hundred thousand men who ought to be at work are looking for employment, and a hundred thousand children who ought to be at school, are at work. Notice the great blocks of warehouses, the gorgeousness of Broadway, the costly palaces which line the avenues. Notice too, the miles of brothels which flank them, the tenement houses, where poverty festers and vice breeds, and the man from the free open West turns sick at heart: notice in the depth of winter the barefooted, ragged children in the press of the liveried equipages, and you will understand how it is that republican government has broken down in New York; how it is that republican government is impossible there; and how it is that the crucial test of our institutions is yet to come. If you say that New York is a great seaport, with different conditions from the rest of the country, go to the manufacturing towns, to the other cities, and see the same characteristics developing just in proportion to their population and wealth.

And while we may see all this, we are doing our utmost to make land dear, giving away the public domain in tracts of millions of acres, drawing great belts across it upon which the settler cannot enter; offering a premium by our taxation for the concentration of land ownership, and pressing with the whole weight of our revenue system in favor of the concentration of wealth.

How a Great People Perished.

In all the history of the past there is but one nation with which the great nation now growing up on this continent can be compared: but one people which has occupied the position and exercised the influence, which for good or evil, the American people must occupy and exert. A nation which has left a deeper impress upon the

*See Reports Massachusetts Bureau Labor Statistics.

life of the race than any other nation that ever existed; whose sway was co-extensive with the known world; whose heroes and poets, and sages and orators, are still familiar names to us; whose literature and art still furnish us models; whose language has enriched every modern tongue, and though long dead, is still the language of science and of religion, and whose jurisprudence is the great mine from which our modern systems are wrought. That a nation so powerful in arms, so advanced in the arts, should perish as Rome perished; that a civilization so widely diffused, should be buried as was the Roman civilization, is the greatest marvel which history presents. To the Roman citizen of the time of Augustus or the Antonines, it would have appeared as incredible, as utterly impossible that Rome could be overwhelmed by barbarians, as to the American citizen of to-day it would appear impossible that the great American Republic could be conquered by the Apaches, or the Chinooks, our arts forgotten, and our civilization lost.

How did this once incredible thing happen? What were the hidden causes that sapped the strength and eat out the heart of this world-conquering power, so that it crumbled to pieces before the shock of barbarian hordes? A Roman historian himself has told us. "Great estates ruined Italy!" In the land policy of Rome may be traced the secret of her rise, the cause of her fall.

"To every citizen as much land as he himself may use; he is an enemy of the State who desires any more," was the spirit of the land policy which enabled Rome to assimilate so quickly the peoples that she conquered; that gave her a body of citizens whose arms were a bulwark against every assault, and who carried her standards in triumph in every direction. At first a single acre constituted the patrimony of a Roman; afterwards the amount was increased to three acres and a half. These were the heroic days of the Republic, when every citizen seemed animated by a public spirit and a public virtue which made the Roman name as famous as it made the Roman arms invincible; when Cincinnatus left his two acre-farm to become Dictator, and after the danger was over and the State was safe, returned to his plow; when Regulus, at the head of a conquering army in Africa, asked to be relieved, because his single slave had died, and there was no one to cultivate his little farm for his family.

But, as wealth poured in from foreign conquests, and the lust for riches grew, the old policy was set aside. The Senate granted away the public domain in large tracts, just as our Senate is doing now; and the fusion of the little farms into large estates by purchase, by force, and by fraud, went on, until whole provinces were owned by two or three proprietors, and chained slaves had taken the place of the sturdy peasantry of Italy. The small farmers who had given her strength to Rome were driven to the cities, to swell the ranks of the proletarians, and become clients of the great families, or abroad to perish in the wars. There came to be but two classes—the enormously rich and their dependants and slaves; society thus constituted bred its destroying monsters; the old virtues vanished, population declined, art sank, the old conquering race actually died out, and Rome perished, as a modern historian puts it, from the very failure of the crop of men.

Centuries ago this happened, but the laws of the universe are to-day what they were then.

I have endeavored in this paper to group together some facts which show with what rapidity, and by what methods, the monopolization of our land is going on; to answer some arguments which are advanced in its excuse; to state some principles which prove the matter to be of the deepest interest to all of us, whether we live directly by the soil or not; and to suggest some remedies.

That land monopolization when it reaches the point to which it has been carried in England and Ireland is productive of great evils we shall probably all agree. But popular opinion, even in so far as any attention has been paid to the subject, seems to regard the danger with us as remote. There are few who understand how rapidly our land is becoming monopolized; there are fewer still who seem to appreciate the evils which land monopolization is already inflicting upon us, or the nearness of the greater evils which it threatens.

And so as to the remedy. There are many who will concede that the reckless grants of public land should cease, and even that the public domain should be reserved

for actual settlers; but who will be startled by the proposition to put the bulk of the population on land exclusively? But the matter will bear thinking of. It is impossible to overestimate the importance of this land question. The longer it is considered, the broader does it seem to be and the deeper does it seem to go. It imperatively demands far more attention than it has received; it is worthy of all the attention that can be given to it.

To properly treat so large a subject in so brief a space is a most difficult matter. I have merely outlined it; but if I have done something towards calling attention to the recklessness of our present land policy, and towards suggesting earnest thought as to what that policy should be, I have accomplished all I proposed.

HENRY GEORGE.

SAN FRANCISCO, July 27, 1871.