## CHAPTER XXI

### THE REMEDY PROPOSED

How may all this be altered? How can the land be opened up to use by those who desire it, how can monopoly be destroyed, the burden of rent be reduced, the cost of living be brought down, and the opportunities for labor and capital increased? How can the gains of civilization be made to serve all mankind instead of a diminishing few? How can want and the fear of want be abolished from the earth, and justice, equality, and plenitude be insured to all?

There are two and only two solutions of the social problem which confronts the civilized world. One is industrial socialism. The other is industrial freedom. From the time of Plato down to Karl Marx men have dreamed of utopias, based upon a society consciously organized, and controlling the agencies of production and distribution for the common welfare. In every age, too, men have painted pictures of the alternative of industrial freedom; of the society which would result from the abolition of class-made laws and legalized privilege. The most eminent of the latter were the French philoso-

phers of the eighteenth century, of whom Quesnay, Turgot, Gournay, and the elder Mirabeau were the most brilliant. It was Henry George, however, who discovered the means by which industrial liberty could be secured; it was he who evolved a philosophy as complete as socialism itself. It is this alternative of industrial freedom I propose to consider.

If the previous analysis of the economic foundations of America no less than of Europe is correct, the unjust distribution of wealth, the misery and much of the vice and crime of to-day are the products of man-made laws. Organized government itself has created the Frankenstein monster of the social problem. And if these evils are the result of law, obviously they can be corrected by the same agency that created them. They can be corrected by freedom. Nature is as jealous of her methods as she is of her laws. And the law of nature is the law of liberty.

Liberty involves no complicated organization of society, no bureaucracy, no increase in the functions of the state. Liberty involves rather repeal; it involves the abolition of the privileges which have been created by Congress, the state legislatures, and city councils. It involves the freedom to buy and sell where one wills; the freedom of the highways and the freedom of access to the resources of nature. Freedom involves the razing of all tariff walls, and the abolition of all excise and internal revenue taxes

on trade, industry, and commerce; it involves the ownership of the railways and the means of transportation by the people, and the abandonment of all taxes on labor and labor products, and the nationalization of the land through taxation.

This is the philosophy of the single tax, of the taxation of land values, as it is called in England, first proposed by Henry George. He did not lay claim to its discovery. He found it in the writings of the French physiocrats, in the teachings of Moses, as well as in the all but universal experiences of early peoples.

The simplicity of this proposal delays its acceptance. Yet any one who will follow the forces which would be released by such legislation will acquire a philosophy of life as adequate as that of socialism itself. He will find in it a law of perfect justice in human society, a law which insures to the worker to-day, to-morrow, and forever, equality with his fellows and an assurance of the full product of his toil. He will find a means by which monopoly will be destroyed and industrial liberty re-established; he will discover a means to terminate the present unjust distribution of wealth. This remedy, too, is sanctioned by all that science teaches us of the laws of evolution; it is sanctioned by a thousand proofs of history and contemporary society, as well as by the precepts of justice and Christianity. It is a solution that relies upon the known instincts of

humanity, and accords with all of the traditions of American democracy.

In a quarter of a century the taxation of land values has become social philosophy to millions of men in every corner of the civilized world. It is the inspiration of the political movements in a dozen states and cities, and in a limited sense is the political programme of the Liberal party in Great Britain. It is a philosophy which divides the world with the followers of Socialism, and in its final analysis is a gospel of liberty and pure democracy.

The remedy which is here proposed is open to adoption by the simplest of changes. It involves no violent alteration in the machinery of government or the organization of the state, no violent break with that with which we are familiar, no departure from the traditions of the functions of government, no bureaucracy or centralized control over the life or activity of the individual. There would be no new machinery; rather much that is now necessary would become obsolete. There would be an end of oaths, of jurats, of inquisition, and of perjury in taxation.

This philosophy of freedom may not be apparent at a glance. It does not appeal to the imagination as does the philosophy of socialism. But those who will apply the known laws of evolution to social and industrial conditions and will study the development of society in every new country where access to

the land is open to all, or the history of the nations of Europe down even to the present day, will find in the freedom which would result from this proposal a social philosophy as adequate to the problems of to-day as any ever offered by the utopian dreams of the past.

Under this proposal the state would become the universal rent collector. It would step into the shoes of the ground landlord. There would be no land rent. It would all be absorbed in taxes. In other words, society would assume what society itself had created, and in so doing, would leave free from molestation all that the individual created. There would be no other taxes and there would be need of none.

When all of the rent was so appropriated the land would be socialized. It would have no capital or selling value. It would become the common property of the nation, subject only to an annual rental charge. With this established, the earth would be opened up to use by all. Then opportunity would call from every quarter. Then the demand for labor would transcend the labor supply, and the worker would be able to command the full product of his toil. Then society would be free from the burdensome taxes on consumption and exchange which now impoverish it, while trade and commerce would be free to follow their natural channels. Then an era of freedom would arise the like of

which the world has never known, a freedom in which no man could live by the sweat of another's face and no man could levy tribute on his neighbor by law. Then there would be equality of opportunity for all, an equality in which the natural instincts of man to justice and righteousness would have full play. Then from each according to his privileges, and to each according to his labor, would be the rule of life.

The city of New York could commence this reform in all its essentials by a law of but few sentences in length. It could socialize a large part of its three and a half billions of land values by the abandonment of all taxes now assessed against houses, buildings, improvements, and personal property, by permitting the whole burden of local taxation to fall upon land values. All of the machinery for carrying this programme into execution already exists. The city now assesses its land at its full value and it assesses it every year. It separates improvement values from land values. New York as well as Boston has demonstrated that land can be valued more easily and far more accurately than any other form of wealth.[1]

With the tax on land values increased by the

[1] When the taxation of land values was first proposed it was urged that the proposal was impractical, because it was impossible to value land separately from improvements or to ascertain what was the unearned increment. A dozen states and cities have demonstrated that land can be easily and accurately valued, and the annual reports of the assessing officers of New York and Boston have furnished startling evidence of the colossal values which society has given to a few of its members.

abandonment of other taxes, ground rents would fall. So would the value of the land. In time the $200,000,000 of rent, now paid to a handful of owners, would be paid to the community that created it. As the taxes were increased the value of the land would disappear. Ultimately it would become in effect the property of the city. New York would be the richest landlord in the world. By this simple process it would have socialized one-half of the wealth of the city.

Into its treasury there would flow an annual income of $250,000,000, instead of $160,000,000 as it is to-day. For already forty per cent. of the taxes of New York, or about $60,000,000, are taken from rent. From out this increasing treasure a city could be erected whose magnificence would surpass anything the world has known. By means of it the city could operate, without cost to the consumer, the services of transit, light, heat, and power, the owners of which services now share with the owners of the land the unearned increment of the city. The city could develop a traction policy and distribute its population far out into the countryside. A conscious housing and transportation policy could be evolved, as far in advance of that which private monopoly has given us as the ocean greyhound is in advance of the cattle-ship or the automobile is superior to the stage-coach. Light, heat, and power could be supplied in the same way, at

no cost at all, were these services under public control as they should be. For these are the arteries of municipal life. They are as essential a part of the public body as the nervous system is a part of the human body. Modern city life is impossible without them. They can only be properly managed when the idea of private profit is subordinate to the idea of service. Even to-day public administration is more responsive to public opinion than private administration. In time the commonwealth will become far more intelligent than private capital. This is already true wherever the interest of privilege coincides with the interest of the community. This superiority is apparent in the magnificent docks which have been erected about the city of New York, as well as in the splendid school-houses and libraries and public structures which adorn the metropolis. It is apparent in the workmanship of river and harbor improvements, in the construction of a great battle-ship, or the building of the Panama Canal by the nation. Wherever privilege desires efficiency the government is efficient. And when the government is free from the corrupting influence of big business, when it turns its attention to the conscious aim of serving democracy, we shall find that ability, talent, and genius will serve the state far more ardently than it ever served for private hire.

We need not wait for evidence of the fact. It

may be seen in the high sense of honor and intelligence of the War and Navy Departments, as well as in the world of science, where men labor in the service of truth for the most insignificant pay and for scant recognition. We see it in our universities and our schools, even in the fire departments of our cities, where, unnoticed and unrecorded, men go willingly into the face of death merely for the sake of protecting another man's property.

We have only begun to make use of government as an industrial agency. We are only beginning to see that private property must be subordinated to humanity. On every hand it is apparent that the activities of the government must be increased and that they can be used for the service of the many, just as they are now used for the service of the few. Old political formulas are changing. The state is rapidly becoming an economic as well as a political agency. From now on this tendency must increase at an accelerated pace. And the services which the community could render its people, from out the as yet untouched common treasure, would of themselves relieve the most serious wants of modern society. For poverty can be relieved by increasing the free services of society as easily as privilege can be created by the passage of tariff laws, by railway privileges, and franchise grants. It is only a question of the class in control of the government and the motives which animate it.