

The Land Question in United States History

(Concluding Paper)

THE PROPHET OF SAN FRANCISCO

MAN proposes," says the ancient jester, "and God disposes." "Reformers construct," paraphrases the modern paragrapher, "and Privilege disrupts." Man plans and calculates and builds a mighty machine; then someone monopolizes the coal supply and shuts off the steam. After many years of agitation and experiment the Homestead Law was "put across." Then came the Railroads.

In itself the Law was not perfect, and, even with several amendments, contained many serious shortcomings. The land that was open to settlers was far from the center of trade and industry. Schools were few, and there was but little social life. The roads, like holidays, were few and far between. The prospective farmer could not always get the kind of land he desired. Life on the Homestead was anything but Utopian.

Many of the best lands did not go to the farmers but to the irrepressible land jobbers and speculators. Through various frauds the land companies secured enormous tracts of the most valuable lands. In a little over ten years after the passage of the Act 40,000,000 acres of public lands were given away, ostensibly as "Homesteads," but actually often to land grabbers or land sharks.¹ "Attention is also called to the fact," wrote Secretary Babcock of the Department of the Interior, "that among those indicted for various offenses against the public land laws are the names of persons who were employees of the government, some in high places."²

But the greatest of the Homestead's troubles was the Railroads. They not only charged high freight rates; they made land scarce. In the same year that the Homestead Act was passed, Congress chartered five Pacific Railroad Companies, and in the year immediately following granted these companies over 100,000,000 acres of public lands and loans in government bonds amounting to \$60,000,000. The 47,000,000 acres granted to the Northern Pacific alone were estimated by a high official in the railroad business to be valuable enough to build the entire railroad to Puget Sound, to fit out a fleet of sailing vessels and steamers for the China and India trade, and leave a surplus that would roll up into the millions.³ Not content with these, the railroads secured additional grants from Congress, raising their total holdings from the Federal government to over 200,000,000 acres of our best lands, an area equal in size to Maine, Vermont, New Hampshire, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia and North Carolina combined.⁴ In addition, the railroads have been granted many millions of acres by the individual States, and have gained control over the Anthracite Coal Supply,⁵ valuable timber lands, oil wells,⁶ and other natural resources.

The monopolization of the soil by the railroads and allied concerns, and the rapid increase in population resulted in an enormous increase in the values of land, constantly making it more difficult for the city laborer or farm hand to buy himself a farm. Monopolies and trusts thrived and prospered in connection with the railroads, and based mostly on the monopoly of some natural resource, *i. e.*, the land.

Farmers and city workers suffered alike from these monopolies. The land-hungry farmers of the West stood aghast at the vast grants given to the railroads. The city dwellers could see but little justice in the exorbitant prices which they were compelled to pay for monopoly products. Murmurs and threats of revolt became audible similar to those in France before the Revolution. By 1872 the discontent had become so marked that the Labor Reformers' Party, then being organized, inserted in its platform a plank calling for the restriction of the sale of public lands to bona fide homeseekers. The same year, the platform of every political party in the United States demanded the cessation of land grants to the railroads.⁷

It was at this juncture that there entered the arena of American public life a man who was destined to mould its thoughts and shape its policy as but few have done before. Out of the West came a young man, who as sailor, printer's devil, newspaper reporter and editor, had made his way through life amid hardships such as exist only on the frontier. Buffeted and tossed about by the storms of fate and journalistic necessity he found himself in New York, only to be amazed at the tremendous contrast between poverty and wealth there existent. Poverty he was well acquainted with; he had lived in its midst and had realized its hardships; but poverty in a great city, poverty amid abounding plenty—that was more than his mind could justify or comprehend. The shock was severe, and there, in the streets of New York, puzzled and perplexed, he vowed never to rest until he had discovered the cause and found a remedy for the problems that perplexed him.

Many years later, absorbed in thought, he was driving a horse into the hills of California, until he panted. Stopping for breath, he asked a passing teamster, for want of something better to say, what land was worth there. The teamster pointed to some cows grazing off so far that they looked like mice, and replied, "I don't know exactly, but there is a man over there who will sell some land for \$1,000 an acre." "Like a flash it came upon me," later wrote Henry George, "that there was the reason of advancing poverty with advancing wealth. With the growth of population land grows in value, and the men who work it must pay for the privilege of working it. I turned back amidst quiet thought, to the perception that then came to me and that has been with me ever since."⁸

Gifted by nature with intellectual powers of a high

order, and with the faculty of expressing his thoughts in a style that was both engaging and lucid, he now devoted his talents to popularizing his ideas on the land question. In 1871 he wrote a small pamphlet⁹ in which he strongly criticized the government's policy in giving away lands to the railroads, and made a passionate plea for the socialization of ground rents. In 1879 appeared "Progress and Poverty," a book which spread like wildfire throughout America and England, was quickly translated into the principal foreign languages, and has, by this time, achieved a circulation of over two million—greater than that of any other book written in English. It stirred the hearts of men and moved them to action. It started a discussion of the land question of a magnitude unparalleled in the history of America. Over in England, a sneering Lord¹⁰ dubbed Henry George "The Prophet of San Francisco." By that name he has been known ever since.

In 1886 Henry George was nominated for Mayor of New York by the United Labor Party and was defeated by a small margin in a three cornered contest. His candidacy, however, strengthened the impetus of his ideas, and "Single Tax" clubs were formed throughout the United States (and the world) for "the abolition of all taxes on labor and industry, and the appropriation for government purposes of all the rents of land." The movement, aiming toward the restoration of the land to the people through the simple expediency of making it unprofitable to hold it out of use has grown in strength and influence ever since. When Henry George died in 1897 the whole world mourned; but his followers set to work with renewed zeal to the fulfillment of his ideas, adopting as their slogan, "Free trade, free land and free men."

In the United States the Single Tax movement has attracted to itself such men as former Mayor Pingree of Detroit, Brand Whitlock, American Ambassador to Belgium, Judge Maguire of California, Benj. B. Lindsey of the Denver Juvenile Court, Louis F. Post, Assistant Secretary of Labor, Joseph Fels, the "millionaire" Jew, who devoted his entire fortune and the later years of his life to the movement, the Pinchot brothers, of Conservation fame, and others.

Campaigns for Single Tax, *i. e.*, for easier access to the land, or for measures termed such, have been conducted by Single Taxers whenever the opportunity occurred. In Delaware, Missouri, Oregon, Colorado, Texas, California and other places, the Single Tax banner has been the rallying standard for many people animated by the cry of "The Land for the People." Though unsuccessful in enacting their own legislation, the Single Taxers have been greatly instrumental in shaping public opinion and in bringing about a new attitude towards the land question. Many a land grab has been blocked and much vicious legislation defeated through the activities of the Single Taxers and the educational work carried on by them.

The sentiment for land reform has become so strong that some of the minor parties see fit to favor it in their platforms. The Socialist Party, and the various labor parties have introduced planks calling for the taxation of land values.

In 1912 the Progressive Party's platform committee declared for a Single Tax plank by a vote of 27 to 4.¹¹ The plank was kept out at the suggestion of Geo. W. Perkins, who thought it unwise to advocate it at that time.

One of the direct outcomes of the teachings of Henry George and his followers has been the Conservation movement, inaugurated by President Roosevelt in 1907. In that year he appointed the Inland Waterways Commission to investigate and recommend a full and comprehensive plan for the development of the water resources of the country. The next year he called a Conference of the Governors at the White House. At that meeting of State executives facts regarding our natural resources were presented by experts; methods of educating public opinion were considered; and many plans by which conservation could be best accomplished were suggested.¹² The fight of Gifford Pinchot to prevent the alienation of public lands is a matter of recent history and need not here be discussed.

In 1910 Congress passed two important measures relative to public lands, one providing for the separation of the surface of coal lands fit for agriculture from the minerals beneath the surface, and the other authorizing the President to withdraw from sale lands in the United States and Alaska for water power sites, irrigation, classification of lands, or other public purposes.

No noteworthy legislation has since been enacted relative to land or land ownership, but several measures have been introduced which are worthy of attention.

At the request of Secretary Lane, of the Interior Department, several bills have been introduced permitting the government to lease to private concerns certain oil and coal lands and radium mines at their rental values. These measures, if passed, would open many natural opportunities to all the people on equal terms, and effectually eliminate speculation, for speculation in leased lands has not hitherto been found profitable.

Another proposal for land reform is that of Representative Warren Worth Bailey, of Pennsylvania, providing for the governmental appropriation of the increases in land value that may arise from the construction of the government railway in Alaska.

Of perhaps greater importance and merit is the bill of Robert Crosser, of Ohio, introduced at the suggestion of the Federal Labor Department, changing the basis of the Homestead system. Under this proposed law the government will retain title to its remaining lands, but will lease them to settlers for reasonable rentals. Security in tenure is well provided for, and a commission is to be appointed consisting of the Secretaries of Labor, Agriculture, and the Interior, to manage a Loan Fund and render all other possible assistance to prospective homesteaders. In effect, this bill embraces the idea of Henry George that unused lands shall be free to whosoever may wish to use them, and that land in use shall pay to the treasury its unimproved rental value.

These land reform measures may not be passed by the present Congress, nor by the next, but as the force of public opinion develops and the national deficit grows, Congress

will be forced to take some action—and it does not seem entirely unreasonable to assume that such action will be along these lines.

Prior to the Civil War, the agitation for land reform confined itself to national laws. Today, however, the States and municipalities seem to offer a more promising field of action. Single Tax leagues and Single Tax parties are being organized in many of the States of the Union, and in the cities the demand is growing stronger for increased taxes on land values. Socialists are beginning to emphasize the importance of the land question.

When making his first speech for land value taxation, Henry George said:¹³

"To beat down and cover up the truth that I have tried tonight to make clear to you, selfishness will call on ignorance. But it has in it the germinative force of truth. . . . The ground is ploughed; the seed is set; the good tree will grow.

"So little now, only the eye of faith can see it. So little now; so tender and so weak. But some time the bird of heaven shall sing in its branches; some time the weary shall find rest beneath its shade."

The truth has not been beaten down. The seed has grown. The fruits are ripe and ready to pick. The time for action has arrived.

HYMAN LEVINE.

REFERENCES

1. D. S. Muzzey. *American History*.
2. Ridpath. *History of the United States*.
3. D. S. Muzzey. *American History*.
4. W. B. Northrop. "Who Owns the United States?" *SINGLE TAX REVIEW*.
5. Scott Nearing. *Anthracite*.
6. A decision of the United States Supreme Court gave to the Southern Pacific oil lands in California worth over \$750,000,000.
7. The Labor Parties demanded even more.
8. *Life of Henry George*, by his son.
9. *Our Land and Land Policy*.
10. Duke of Argyle. *The Prophet of San Francisco*.
11. *N. Y. Evening Mail*, 1912, on day of Progressive Convention.
12. Chas. A. Beard. *American Politics and Government*.
13. Delivered before Land Reform League of California, Mch. 26, 1878.

"ALTHOUGH some form of taxation has been observed ever since that dim period in human existence when men combined into tribes, shires, towns and districts for individual and collective protection, there does not exist a standardized and proven system of taxation. No nation has yet devised a system that is scientific, equitable or wholly just; in our country there are as many forms and methods of taxation as there are States in the Union."

JOHN H. BUER,

Before the Colorado Tax Commission,
Denver, Colo., Jan. 4, 1918.

"THE superiority of the Land Tax is no longer open to controversy."

DR. A. A. BORGES DE MEDEIROS,
President of the State of Rio Grande do Sul, Brazil.

"THE Land Tax is rather a social rental for its use—a leasehold due—than a tax properly so-called."

DR. JOSE BATTLE Y ORDONEZ,
Ex-President of Uruguay.

The North Dakota Non-Partisan League

The following statement by Congressman Baer, of North Dakota, supplements the article by State Senator Mees, which appeared in the last issue of the *REVIEW* giving the details of this legislation.

THE story of the Nonpartisan League, its entire programme and the results obtained, is an exhaustive one. I have had the pleasure, recently, of talking before groups of Single Taxers and the principles which the farmers advocate seem to be much in accord with their own.

The North Dakota legislature, in 1917, passed some splendid legislation which was beneficial to all the people as well as the farmers. I want especially to refer to those laws tending toward the betterment of taxation. The laws were just and equitable. There was no stigma of "class prejudice." While certain people believe in property rights, they do not always believe that property should be rightly taxed. The following results were achieved:

1st. Money and credits, which had previously escaped taxation, by some oversight of the politicians, were taxed.

2nd. A law taxing 60 horse power automobiles \$26.00 and 20 horse power cars \$6.00. The fees to be spent on the roads. The large cars tear up the roads and the farmers believe that they should pay their share in the highway improvement.

3d. Levied a 15 per cent. Inheritance Tax on large fortunes, thus placing the burden of taxes on those best able to bear it.

4th. Laws taxing foreign corporations that had formerly escaped taxation. One corporation which paid a tax of less than \$12,000 per year, now pays over \$110,000.

5th. The legislature passed a partial Single Tax measure which classifies property for taxation and provides that improvements upon farm lands are to be valued at 5 per cent. of their actual value, while railroad property, express and telegraph, and banks together with land are to be valued for taxation at 30 per cent. of their true value. This gives the farmer a fair show by making light taxes on his farm improvements.

When the government gave the railroads their franchise the main trunk lines were granted every odd section on each side of the main lines for twenty miles. A map showing the railroad sections looked like a checker board. The red spots were settled by the homesteaders and were extensively improved with houses, barns and other buildings. While this land was being improved the black spots were being held by these monopolistic railroads and land "grabbers." Consequently the farmer raised the value of the land by improving his and also enhancing the value of the land held by the land speculators. The farmer was taxed for his buildings and therefore was penalized for improving his property and adding to the general wealth of the entire community. This was a rank injustice to the farmer. The legislature of North Dakota has taken a broad step in correcting it.

No legislature of any State has ever done half as much