

lem which our boys will have to tackle will be how to unlock these resources so that they may be utilized to their fullest extent.

A BOY'S WONDERFUL CAREER

There was once a boy in San Francisco with all the qualities that a boy should have, and in addition an enquiring mind. His parents were poor and his friends were few. He earned a precarious living first as a sailor, then as a miner, and afterwards as a printer. From printer he became editor, and from editor he became author, but so poor was he that he had to set up the type of the book which he wrote. But the book was a success. More copies of it were sold than of all the books on the subject he treated, and it is and will ever remain one of the classics in the English language. With a keen relentless logic he showed the fallacies underlying the political economy of the day, showed that, so far from being a "dismal science," it was the most interesting and far-reaching of all, and radiant with a new born hope.

He showed, too, that the reason why all previous civilization had declined and disappeared was because the canker of injustice had been allowed to grow up in their midst—permitting one section of the community to inherit the earth to the disinheritation of the rest—and that, unless this canker were cut out from the heart of it, the British Empire, like all its predecessors, would also decline and finally disappear. That is the great problem which the present generation has to face, and it depends on the boys of today whether our present civilization will follow the same downward path as its predecessors have done, or whether it will get rid of the canker and rise to greater heights than any empire that the world has ever seen. The name of the book, in which this problem was worked out is "Progress and Poverty," and the author's name was Henry George. Almost every big city has a body of his devoted disciples and a League which is called by his name. International Conferences are held in the different centres of Europe to further the principles which he taught, and the degree of civilization which a country has attained may be measured by the extent to which those principles have been practically applied.

Sydney, Australia

PERCY R. MEGGY.

BEFORE any effectual renovation can take place we must efface the abuse which has grown up out of the transition from the feudal to the more modern state—the abuse of land being held as absolute property.

—HARRIET MARTINEAU.

IT is becoming apparent to thoughtful men that if the present method of procedure goes on we shall be driven to the Single Tax idea, whether we like it or not.

—THOMAS MARSHALL, former Vice-President of the United States.

How Does the Community Create Value?

IN speaking of land values the followers of Henry George claim (and rightly) that these are created by the presence and activities of the people as a whole. To the average man, unversed in the mysteries of political economy and more particularly of rent, this means little. He reasons that since all wealth must come out of the soil, and since it can only come by reason of labor, the idea that the community in a collective capacity, actually produces or creates the commodities, etc., which land values represent, seems absurd; yet it is even so. Place 10,000 men on 100 islands and they will produce wealth of a certain aggregate value—now place 10,000 men on one island and they will produce wealth to a very much greater value. The additional production of the 10,000 men on one island (as compared with the same number on 100 islands) is due to the co-operation of a large number of producers within a circumscribed space, and is reflected in the values which attach to the land on which they work. Thus land values are an index (though not necessarily an exact one) of that added amount of production (and services) which concentration of population brings about, and without concentration of population would not exist. It is a community-created surplus, and private owners of land reap that added value (either in full or in the main) if allowed to hold their land in fee simple or as freehold. They give nothing in return, save that infinitesimal quota which they (as units in the community) add to the co-operative effort. It is therefore, necessary that these land values, *economic rent* as it is called, should be taken by the people, for the people, so that all may share in the advantages which accrue from the existence and means of communities living and working in close co-operation. Under present unjust social conditions a privileged few collect this economic rent, and thereby rob the people of their birthright. It will be noted that with 10,000 people on 100 islands there would be little (probably no) land values on any of them, while with 10,000 people on one island land values would have appeared, and would grow as the population grew. That is what we mean by community-created land values, and why we say the State should collect these for the benefit of all. That is what we mean when we say the Single Tax (i.e., State appropriation of Rent) will free *individual* production from *all* taxes. That is what we mean when we say the expenses of the people as a whole (Government expenses) should be paid out of the revenues created by the community, and why we assert the Government should take these land values *first*, before it taxes anyone on his individual earnings. And we declare that the Government should, in peace time at least, live within such means and keep its hands off the product of a man's individual labor.

—C. H. N. in *Liberator*, Auckland, New Zealand.