

WANT OF A MARKET FOR LABOR PRODUCTS THE REAL CAUSE OF POVERTY

If I am right in attributing poverty to want of a market for labor products due to causes above outlined, rather than to an inability to secure access to land upon payment of economic rent, it would seem to follow that no really great benefits in the way of a general improvement of social conditions can result from the partial or purely local application of the Single Tax. This is proved by the experience of Vancouver, Houston and other cities, and also by the history of Single Tax colonies, where conditions and wages do not differ materially from those obtaining in other cities and towns of the same size elsewhere operating under the present system, though the administration of public affairs and business may reflect much improvement. Its application must be general, and must take all ground rent before the full power, actual and potential, that we now possess to prevent want can be applied to banish poverty

CONCLUSION

The non-access to land theory as the sole cause of poverty is, in my opinion, without basis in this country. Such evil is a minor one. It is merely an incidental and aggravating circumstance. The real reason is briefly outlined above. If Mr. Post, Mr. Hall, or any of the many intellectual giants in the Single Tax camp will analyze this proposition they will be forced to the same conclusion, and their effectiveness will be wonderfully increased, for their arguments would then leave no doubts that would not be answerable.

ECHOES FROM THE NATIONAL CAPITAL

(For the Review)

By **BENJ. F. LINDAS**

This advertisement appeared in the *Washington Star*:

"\$2,750 buys a gem of a home. Six large outside rooms, tile bath, covered porches. 224 14½ Street, N.E."

On the same day this advertisement appeared in the *Baltimore Sun*:

"Beautiful home on 38th Street, adjoining Guilford. Porch-front houses, six outside rooms and bath. Gas, electricity, steam heat and all improvements, only \$1,750."

These homes are almost exactly alike, and in about the same kind of neighborhood. The two cities are just 40 miles apart. Why the difference of \$1,000 in the price of the homes? In Washington the purchaser of his home pays the extra thousand dollars to a private individual for the privilege of using the land. In Baltimore he pays ground rent to a private individual for the same privilege.

Consider both cities under the Single Tax. The Washington home buyer would save a cash outlay of one thousand dollars. He would pay a reasonable ground rent to the State, and no taxes at all.

The Baltimore home buyer would pay to the State the ground rent that he now pays to an individual, with no other tax.

Both home buyers would in all probability secure the homes at even a cheaper figure than the one quoted in Baltimore, for the taxes that add to the price of every bit of material that goes into the construction of the houses, would also be abolished.

Don't you think home owning would increase under Single Tax?

THE BATTLE FOR IDLE ACRES

There is a bill pending in the House to stimulate production on land within the reclamation projects. Its object is to organize farmers into "gun crews" around gang plows, harrows and seeders, and go from farm to farm to do the planting and the harvesting. It is to be a sort of community farming. The project has received the indorsement of Secretary Lane. The Secretary in speaking of the bill says: "In every one of our projects—as in every county of the United States—there are considerable bodies of idle, arable land. Some of these tracts are lying idle because of shortage of farm labor. Others are idle because of lack of farm implements and capital."

Secretary Lane was probably right as far as he went, but he neglected to state the chief reason for most of the idle acres—high prices of farm land and millions of acres held out of use altogether, for speculative purposes. Farmers "gun crews" will probably be effective, but most of them will be useless for lack of ammunition to feed the "guns."

Pass this bill, however, and then the one introduced by Senator Lewis, Democratic "whip," and we could start a real "drive" on the domestic enemy in the form of untilled land and unharvested fields.

The bill of Senator Lewis is an amendment to the revenue bill providing for a heavy tax on all idle land. Said Senator Lewis in introducing the bill:

"It would increase the food supply and realize an added revenue of \$100,000,000. It will also prevent lying idle vast areas of land throughout this country, which are being held for speculation depending upon the rise of values upon adjacent land that is cultivated by the industry of others. This amendment will apply to country and city alike, and will force the immediate improvement of lots in the city and the cultivation of all land in the country."

WASHINGTON REAL ESTATE

No better argument was ever produced to show how the work of the community contributes to the value of land, than an editorial from a Washington newspaper, from which I now quote. No more convincing explana-

tion was ever made of how the few who gobble up the earth levy tribute on the brain and brawn of the nation. No more insidious bait was ever dangled before the eyes of the avaricious, to urge them to prey on their fellows. This is the editorial:

"The government is constantly growing in power and in expenditures. The war has started the nation on a new tack and this will mean greater prosperity for Washington. Washington is the main office of the U. S. A. The number of employees here will soon be doubled. Steadily the national wealth poured out wisely will make Washington greater, more beautiful, more desirable as a residence. Steadily the wealth and intelligence of the U. S. will make Washington its home.

"London is the great city of England, because the power of the kings lived there, money and fashion went there. Paris is the great city of France because there the king had his palace and the rich built their homes. Washington is the center of government and power in this country.

"Hundreds, thousands, tens of thousands, millions will be spent by the power of residents of Washington. This city is destined to have a million people. Votes in the National Capital will give Washington the transportation system that it ought to have, which will give Washington real estate a value of which the average man has no conception.

"This is the city in which every good suburban lot and every substantial building will have a constantly increasing value.

"The REAL property of the United States is the REAL ESTATE of the United States. The best and safest real estate is that located in THE HEAD OF THE NATION.

"Buy Washington real estate! Here in Washington the government is your partner. Where you spend a dollar it spends a million. There are men out of town who are buying here as such men wisely bought in Chicago and New York years ago.

"There are those who in years to come will say to their friends:

"This fortune that I enjoy, this real estate so vastly increased in value which I own, became mine because of the suggestion I read, 'BUY WASHINGTON REAL ESTATE.' "

THE OTHER SIDE OF THE SHIELD

The editorial just quoted shows one side of the shield; a picture of those who by being the first to grab some much desired land, will be able to levy tribute on their fellows.

The following report shows the other side of the shield; a picture of what happens when land speculation is permitted to hold unrestricted sway.

"Your committee, (Federal Employees Union) has taken the liberty of presenting a few observations upon the general question of house rents in the District of Columbia, as this is a matter of vital interest to tens of thousands of government employees.

"These observations are as follows:

"In the first place the conclusion is almost inescapable that the law of supply and demand is permitted to have little application in the matter of house rents in Washington. While desirable houses in large numbers may be found for rent, much of the time in the city, many thousands of persons of small and moderate means live, year after year, in houses of wretchedly poor character. Many even live in alley dwellings. The inference is a fair one that these tenants would rather move into better houses vacated, but the rent is more than they can afford."

Under the circumstances, an agreement, albeit a tacit or 'gentlemen's' agreement, to maintain rents, among the real estate agents of Washington, may well be the answer to this riddle of thousands of empty houses, desirable in character, and thousands of unsatisfied tenants of undesirable buildings, existing at one and the same time in the city.

The committee observes further, "That the land owner in Washington exacts a ground rent alone yearly of about \$250 per family as compared with \$210 per family in Greater New York, \$189 in Seattle and \$123 in Milwaukee. This is the cause of the high rentals in the District of Columbia. The solution is to so revise our system of taxation as to encourage the building of homes, and discourage the holding of land out of use. This will go far towards a solution of the problems of rent and housing in the National Capital."

WAR TAXES

On August 23, 1917, Senator Borah delivered a speech in the Senate that it would be well for every radical to read. It was on the question of War Taxes, and was a ringing appeal to Congress to deal justly with the common people in the war legislation that they had in hand. Here are some extracts from the speech:

"Do you think you are meeting the situation when you take \$562,000,000 from \$6,000,000,000 of war profits? What answer shall we make to posterity in leaving these accumulated profits untouched, while we impose on the common people of the country \$10,000,000,000 of indebtedness and accumulated interest?"

"It is one of the remorseless axioms of war, that, do what we may, it is impossible to distribute the burdens and sufferings equally among the people. The poor will grow poorer and the rich often richer. Most of the real fighting is done by the humbler people. It is they who make the supreme sacrifice. To hundreds of thousands the rise of prices means children kept from school; means less food, stunted bodies, broken plans and ambitions."

"In dealing with this question of taxation we ought not to overlook the fact that it is the wont of a tax to seek the low man. Wherever the tax can be passed on it will be done. We may suppose we are levying a tax on this

institution or that, but when the tax comes to be paid it may be paid by the purchaser of the goods, the consumer."

"Think of the man of family with an income of from \$700 to \$1,000 a year. Fifty per cent. of the families of the United States have incomes of \$800 a year or less. The head of such a family is an industrial peon."

"In all the history of the world there is no stupidity equal to the stupidity of the rich in the presence of economic danger."

"Tax laws, unjust tax laws, and unfair tax laws, have been the source of more misery, more agony and finally more bloodshed and slaughter than any other form of legislation.

"It was the refusal of the king to listen to his great minister, Turgot, which started the French Revolution.

"Turgot said to the king, 'I will redistribute the taxes. I will take the taxes from the necessities of life, the taxes that are crushing your peasants and reducing 90 per cent. of your people to poverty, and I will lay the taxes on the great estates.'

"The king, however, listened to the owners of the great estates, wavered, and lost his head.

"The French Revolution was the most stupendous exhibition of retributive justice in the history of man, and its origin, its source, its motive force, the unjust tax laws of France."

WAGES AND THE COST OF LIVING

To show that the warnings of Senator Borah were not mere rhetoric I wish to offer this extract from the minority report of the Senate Committee of Finance.

"From the Review of the United States Bureau of Labor Statistics for April, 1917, we get a comparison of the prices of Feb. 15, 1913, with those of Feb. 15, 1917.

Flour—increased 69 per cent.

Eggs—increased 61 per cent.

Anthracite coal—increased 65 per cent.

Potatoes—increased 224 per cent.

Bread—from 5 cents to 10 cents a loaf.

The Old Dutch Market chain of retail stores of Washington furnished to Senators a comparative statement of prices of 60 table necessities. The prices of April, 1914, were compared with prices of April, 1917. The average increase in price was 85.32 per cent. Since that time nearly all of these staples have greatly advanced.

The Bureau of Labor Statistics reports that in all classes of union labor from 1912 to 1917 the increase in wages averaged 18 per cent. Compare this 85 per cent. increase in the cost of the necessities of life with the 18 per cent. increase in wages and then inquire whether we should still further increase the cost of necessities."

THE HIGH COST OF LIVING CONFERENCE

A conference was held some weeks ago in the Hotel Raleigh that pointed in unmistakable terms to the real cause of the high cost of living, and suggested the only effective remedy. The conference was in every way a decided success. The meetings were all well attended and the speakers of ability and reputation. The extracts that I want to give from some of the addresses show that the demand was for fundamental remedies.

Frederick C. Leubuscher—"Despite the shortage of crops, nearly half of the arable farm land of the country is held idle, most of it by 'slackers' for speculative purposes.

"Place a tax of one per cent. on the value of all land and two per cent. on the value of all unimproved land. Let the government acquire and operate all natural resources—oil, iron and other ores, timber, coal and water power."

C. B. Kegley, Master of the Washington State Grange (read by H. Martin Williams)—"The farmers of the country are alive to the fact that heavy taxation of land values is the only way to break monopoly in land and to reduce the high cost of production for farmers. The speculators in farm lands is one of the greatest enemies of real farmers."

"Western Starr—"Farm labor is under bond to the landlord. With over 400,000,000 acres of entirely unused farm land waiting for labor and with only one-third of actual farm acreage producing, the result naturally to be expected is industrial distress, idleness and want."

Louis F. Post—"Railroads are withholding from civilization enough land to serve all the food needs of the war. Tax the value of land directly, as heavily as you are taxing the necessities of life by indirect taxation, and you will have found the real remedy."

Hon. Robert Crosser, Frederick C. Howe, Benj. Marsh, George P. Hampton and Harry Slattery, all reiterated the demands of the other speakers for a taxation of land values as a solution of the problem of financing the war and solving the food problem.

FOR Nature has given, nor to him nor to me,
Nor to anyone else, of these acres in fee.

—HORACE

ALL men are originally and before any juridical act in rightful possession of the soil.—EMANUEL KANT.

AFTER all, nobody does implicitly believe in landlordism.

—HERBERT SPENCER