

Alas, for the best laid plans of mice and Dutchmen! Mrs. Van Rensselaer, an authority on early New York, says: "it was not enforced."

We find the Burghers, six months later, June 13, 1658, singing small as follows;

"The Secretary is ordered to give directions. . . . to give an order to the officer to warn everyone to settle their vacant lots as an ornament to the place."

That order was issued 258 years ago; the writer is not advised that the ornamentation of the vacant lots of New York has as yet been completed.

SINGLE TAX IN A NUT SHELL

(For the Review)

By **BENJ. F. LINDAS**

(Continued)

It is, of course, possible to imagine a time when the planet will have become so clogged with human beings that those who are then on the earth will have difficulty in finding elbow-room, but that, if a problem at all, is one for the very distant future. Today the surface of the earth has scarcely been touched. If each individual had but a portion of his share such a thing as want would be unknown. Today millions of men in Europe have been drawn from productive work, millions of others are engaged in manufacturing munitions of war, which, of course, can fill no natural human want, yet there has been scarcely any diminution in the production of the necessities of life.

Possibly no more conclusive answer can be found than the following from the *Greenfield Bulletin*, of Pittsburgh:

"If we divide the State of Illinois in equal parts, one part to every human being on earth, each one will have 50x100 feet of ground, or enough on which to live. This is not so small as it appears, for if we provide for the family unit as people really live, instead of the individual unit, we get a plot of ground for each family 50x500 feet. Allowing that this is not enough for the family and the goat and the cat, we will give every human being an allotment ten times that size. The human race could then inhabit the eight States of Illinois, Arkansas, Florida, Iowa, Arizona, Michigan and Nevada, or one-eighth of the United States. By dividing all the United States every human being would have about eight times as much land as he would need. To allow still more liberally on account of mountains and other areas that man knows not yet how to use, let us throw in Canada for good measure. By an equal division of Canada and the United States among

the families now living on the earth, each family would have more land than it could possibly work. And it would leave the rest of the earth without a living soul."

So we can't blame the troubles of the human race upon the niggardliness of nature. Human selfishness, human disregard of the dictates of man's inner consciousness, human neglect of plain, immutable natural laws, is at the basis of every human ill,

We are trying to teach these natural laws and they will have to be observed if civilization is to continue. Whether Single Tax, or Socialism, or some other principle of human action will be necessary to bring about their observance, is another matter. Suffice to say now, that pleading for personal morality; asking for the temporary restriction of man's cupidity; restricting immigration; abolishment of the liquor traffic, or for any other of the thousand and one superficial remedies, is but a waste of valuable time.

We have now discussed the proper relationship between capital and labor in the production of wealth. We have seen how the only thing that can limit the industry of the human race is denial of access to natural resources; that labor, if unobstructed, will support itself during the course of production and produce its own wages. We have also seen that by the division of labor production is enormously increased, and that under natural conditions any increase in the number of laborers should result in the increase in the product that goes to each in the form of wages. We have seen that capital, while it does not limit industry, may limit the form and the productivity of industry, and that while not absolutely essential, it has its mission to perform in the assistance which it gives to labor in the production of the wealth of the world. We have also seen that real wealth is natural products shaped by the hand of man; that the three essential elements of production are land, labor and capital; that among these three elements all they produce must be divided—rent, wages and interest.

There has never been any trouble in producing enough for the sustenance of the human race, for even in times of famine there have been vast surpluses of the necessaries of life in the very countries where the famine raged.

The trouble, then, is not in the production, but in the distribution of wealth. In order to discover the cause of the failure of society to properly distribute the wealth that is produced, we must first ascertain the natural laws that govern the distribution of wealth.

The first and basic law of all production is that every human being seeks to gratify his desires with the least exertion. It is this law that produces labor-saving devices; that brings about the division of labor; that causes people to concentrate in manufacturing and commercial centers; that urges people to explore every corner of the earth in search of opportunities to employ their talents. It is the knowledge that this law is the ever

present motive for man's action, that enables us to define with certainty the laws of distribution.

As capital is simply labor in stored-up form—something into which labor has gone to be used later to assist labor—the original elements in the production of wealth narrow down to land and labor.

In a society consisting of land and labor how will the produce be divided?

There is a difference in the productivity of land. If there were no difference and land was free, all would go to labor in the form of wages. This is the case in new countries. However, all the best land being settled on, the newcomer must resort to the poorer land—land that, for one reason or another, will not yield as great an amount of product for the labor employed, as can be secured from the best land.

Several courses are now open to the newcomer. Suppose the best land yields 100, while the next available yields 80. He can go to the poorer land and by his labor raise a yield of 80, or he can pay 20 as rent to the holder of the better land, and by his labor produce the same amount that he could have produced by going to the poorer land. Or he can work for the holder of the better land for 80, as wages, although he produces 100. Thus, in this simple manner, arise the law of rent and the law of wages. These laws apply through all production, even in the most elaborate civilization, for the most complex society is but this simple condition made more complex but not essentially changed.

Every human action, or artificial law, that forces labor to resort to land of less productiveness—whether that action or law is the monopolization of good land and its withdrawal from use, or the invention of machinery or methods that makes resort to land of less productiveness possible—does two things, if unrestrained by public opinion or the force of organized labor:

- (1) It raises the rent that can be charged for the best land.
- (2) It lowers the proportion of the increased production that can go to labor in the form of wages.

If the point is finally reached where land is completely monopolized—the condition in most civilized countries—the limit of sustenance is the basis for both wages and rent. No increase in production, from any cause, can permanently increase the wages above the amount that is necessary to sustain the worker in the standard of living in the country in which he resides and labors; rent swallows up all the difference. It is this rent, hidden in franchises and watered stocks, and countless other exorbitant charges, that is the cause of poverty forever dogging the feet of progress.

Under natural conditions, assuming that the best land is all in productive use, whatever a man working under the standard of living that such freedom would mean can produce from the poorest land in use, would be what the workers are entitled to for their individual efforts. All above that amount would be the premium due to society for the right granted to those who use the more advantageous sites, and would go to the community to be

used for every necessary governmental agency; including dividends, if necessary, to the members of the community to increase the comfort of their surroundings.

Under artificial conditions, with natural resources privately monopolized, the limit of sustenance, without which man cannot labor, is what the ordinary workingman will receive, the balance produced being taken as rent, part economic rent and part—usually a very large part—speculative rent.

Under modern conditions, however, the whole produce is not divided between land and labor. There is another element, capital. What is capital to receive? Capital receives a portion of the wages of labor, a portion large enough to make profitable the storing up of capital. This payment to capital is called interest. But when we speak of interest to capital we mean economic interest. We do not mean interest on stocks and bonds, unless these actually represent real wealth used in the production of more wealth. We do not mean interest on government bonds, the proceeds of which have been fired from the cannon's mouth or junked in the scrap-heap in the form of old and worthless warships. We do not mean interest on indebtedness due for the purchase or the use of land, for this is, in reality, a form of rent. But what we do mean is a payment to the owner of wealth used actually by the laborer to produce more wealth, and which increases the amount over that which labor could have produced without it. There is nothing wrong in this. It is a reward of thrift. It does not take what labor would otherwise receive. Its payment is not for the use of capital, but for the increase of capital. Under natural conditions the amount to which capital would be entitled would soon be determined by what amount would be an inducement to the storing up of this capital. If labor were free, and natural resources available, capital could never enslave labor, because being wealth, produced originally from land by the efforts of labor, it could be produced again, and would be produced again did the demand of the owners of capital become exorbitant.

The real enemy of labor is not capital, but the private landowner, who by means of speculative rent takes the greater part of the increased production resulting from the higher education of the laborer, his increased efforts or greater skill.

The laws that we have defined are inseparably connected.

The law of wages is a corollary of the law of rent, and completely harmonizes with the law of interest.

An examination of the laws will show these undeniable facts:

(1) When land is free and labor is unassisted by capital, the whole produce goes to the laborer in the form of wages.

(2) Where land is free and labor is assisted by capital, wages will consist of the whole produce less that part necessary to induce the storing up of capital.

(3) Where land is subject to ownership and rent arises, rent will be fixed by what labor could secure from the best natural opportunities open to it without the payment of rent.

(4) Where natural opportunities are all monopolized, wages may be forced by competition among laborers to the minimum at which laborers will consent to live.

These laws are natural laws and will be present in any system of society under which men may live. These laws would be present even in a socialistic state, for in such a state, some sites would be more desirable for living and working purposes than others, and the more fortunate ones would have to, in some way, compensate the others for their more advantageous location.

Being natural laws they cannot be abolished or changed. All that we can do is to so order our daily lives that we may live in accordance with them. It is not the law of rent itself that causes the unjust distribution of wealth, but its private appropriation.

Under natural conditions, rent would represent the amount secured by man, by reason of the co-operation and presence of his fellows and in addition to the results of his own efforts, and this surplus, when paid into a common fund as it should be, would pay all the expenses of the government, and all the necessaries that the common life of the people may demand.

To-day, however, rent represents the price of monopoly. It represents not what man is enabled to produce by the facilities offered to him by society, but every possible cent that the private holder of the land is able to exact by reason of the withholding from use of millions of acres of usable land and opportunities, and thus to bolster up speculative prices.

To permit individuals to take advantage of the private law of rent means the slavery of those who are dependent on private whim for the opportunity to produce.

To demand community appropriation of rent means real freedom to the individual and all that freedom implies.

To repeat the thought in the stirring words of Henry George:

“In the very centers of our civilization to-day are want and suffering enough to make sick at heart whoever does not close his eyes and steel his nerves. Dare we turn to the Creator and ask Him to relieve it? Suppose our prayers were heard and that for every blade of grass that now grows two would spring up, and the seed that now increases fifty-fold should increase a hundred-fold. Would poverty be abated or want relieved? Manifestly no. Whatever benefit would accrue would be but temporary. The new powers streaming through the universe could be utilized only through land. And land, being private property, the classes that now monopolize the bounty of the Creator, would monopolize all the new bounty. Land owners would alone be benefitted. Rents would increase but wages would still tend to the starvation point.”

(To be continued)