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Land Nationalization and Socialism, n.d.

In the face of the existing confusion among earnest reformers of all kinds, it is important to distinctly define the mutual relations of these two sections of the great socialist movement.¹¹¹

Let us therefore try to ascertain what is the essential characteristic of socialism. The object of our inquiry being to trace out harmony rather than discord, we need not attempt to deal with the individual idiosyncrasies of the various socialistic leaders past and present, but may limit ourselves to seeking for the spirit and soul of the movement.

If our investigation is carried on with this desire as our guide, we shall find that whether the enthusiast calls himself, or is called by others, nihilist, anarchist, communist, internationalist, collectivist, possibilist, atheist, etc., etc., there is one faith that everywhere underlies the agitation: namely, a belief in the universal brotherhood of man. In other words, socialism, in its essence, is Christianity in its original sweet simplicity, freed from the gathered excrescences of nineteen centuries, and coupled with a stern determination that social life shall be molded into harmony with its faith.

As to the means by which this consummation shall be brought about, there is, of course, much divergence in matter of detail, but there is, nevertheless, one common, political goal: namely the nationalization of all forms of wealth which are produced directly or indirectly by the community. To this end, there is among all sections of socialists a general insistence that monopolies of every kind shall be swept away, and rent and interest pass into the common purse, to be spent for the common good. This is true socialism in its entirety, stripped of its sectarianism: all beyond being mere questions of method, judgment, and opinion. But this is not what the world calls socialism.

When we see that partisan politicians are beginning to accept the name of socialists, it is obviously not this form which they are prepared to advocate. There is no thought in the minds of the political leaders who are beginning to dally with the movement of touching the sacred ark of private property in rent and interest. The most they mean by the word is a cautious continuance of the policy hitherto partially adopted, of legislative interference with the rights of property in the interests of the poor.

Now, any attempt to mitigate the deadly injustice of the existing system, in the interests of the poor, deserves our hearty sympathy; firstly, because it will diminish the demoralizing influence of charity; and secondly, because it will reach the pockets of the niggards and curmudgeons of society. Nevertheless, the most that can possibly be done in this way, will be but a petty dribble compared with the claim of the sufferers: about on par with the reparation granted to the starling which Dickens immortalizes, in whose cage there being placed a small patch of turf, the great humorist described it as: "A repayment by installments of six inches square of the immense debt of green fields due to him."¹¹²

Now, in this deeply pathetic thought, may be found a clue to many of the puzzles of the day. Given the gigantic absurdity and injustice of imprisoning within a confined area the living organism which Nature has fashioned for the freest motion in boundless space, the primary injustice has to be mitigated, as far as is compatible with its constant retention; and thus the absurdity has to be perpetrated of bringing bits of field to a bird, making sanitary arrangements on its behalf, regulating its food and its actions; probably granting it now and then a bank holiday within the limits of the room in which its cage is situated, and, speaking generally, its master has to act as a species of benevolent providence, and so, by compensatory regulations, the bird is kept from the death, which its false position would otherwise condemn it to.

So with society. Starting with the gigantic lie that the land, the source of life, and the inheritance of humanity from its Creator, can righteously be owned in perpetuity by individuals; from that moment, as a primary lie always requires bolstering up with succeeding ones, legislation has to constantly act against the true laws of economics in order to mitigate the far-reaching effects of the fundamental fallacy which would otherwise bring society to the verge of universal disruption.

While, therefore we may favor this legislative interference on behalf of labor, as a temporary palliation of existing evils, we must strenuously protect ourselves from supposing that the system is in any sense the equivalent of socialism. On the contrary, it is at bottom an attempt, conscious or unconscious, to maintain the existing system, by plastering over the sores, and, even in its extreme form of "national organization of labor," is quite outside of socialism, except to the extent that it will come naturally when the present false foundation has been destroyed, and the land has been transferred to the community, in other words, when the national purse is in the hands of those who fill it.

Having thus reached a fairly definite conception of pure socialism to the extent that there is agreement universally among its advocates, let us examine in what light the outside world considers the movement.

S.T. Coleridge wisely teaches that, in order to meet any argument, however fallacious, it is first necessary to gain a clear view of the golden side of the adversary's error. Let us therefore in this spirit briefly examine the current criticisms of socialism.¹¹³

In the first place, it is noteworthy that, though opponents may incidentally touch on the essence of true socialism, their tone at this stage is generally apologetic, laying stress on the difficulty of change, the danger of touching institutions which have become ingrained in the habits of the people, the proved futility of legislation against usury, etc., etc., the whole force of their attack always being reserved for the assault upon the confiscation of existing capital, and the national organization of labor, coupled with prohibition of private industrial enterprise. These vulnerable points they find very convenient for argument, and therefore unanimously agree in treating them as the true and complete embodiment of socialism.

All the critics acknowledge that the existing system produces serious evils, and is unjust to manual workers; but they argue that, with all its faults, it is an evolution of the ages, and that its very existence is proof that it must have ministered to the wants of humanity better than any other system that has ever been tried. Now, this is a *prima facie* case, which cannot be dismissed with a sneer. We have to do with a rough-and-tumble world, composed of complex combinations which cannot be revolutionized with a breath. We are not dealing with a system under which the nation is groaning in a condition of reckless and infuriated despair, as was the case in France a century back; nor must we credit the nation with our own clear view of the inherent vice of the system.¹¹⁴

England is, on the whole, the most contented nation under the sun. At present, the injustice is principally realized by a few thinkers, together with a number of workers who belong to the periodically unemployed, and who, as the foundation of any national movement, are as untrustworthy as the Goodwin Sands, their perception of the injustice being based on their immediate personal suffering, and, therefore, capable at any moment of being undermined by employment.

We must also frankly recognize that the workers' position has materially improved, and that on the whole, in England, where the system has had the widest field, the worker has benefited more than in any other country, which can be fairly compared with it. Under these circumstances, we cannot acknowledge that the argument from evolution has undoubted weight. Further, it is asserted that *production* cannot satisfactorily be regulated by the state. Dealing with the question as one of immediate possibility, and taking man as he is, we are compelled to acknowledge that the experience of the productive world undoubtedly supports the view.

At present, the multifarious wants of our complex society are met in the most perfect detail in a marvelous manner by individualistic effort, owing to the fact that each man keenly and energetically seeks to satisfy the wants of his fellows, because, in so doing, he will the more probably satisfy his own. We have, therefore, in every nook and cranny, a constant, untiring balancing of supply and demand, adjusting itself to varying circumstances with a minuteness and perfection which it would be impossible to attain by any nationally regulated system, superintended by state officials, as we know them.

But even more unanswerable probably is the statement that the greatest of all drawbacks to state production is the tendency to stagnation as regards improved methods. The natural inclination of all officials is to go on in the old way, and discourage innovations, or, as it is generally put: to "leave well alone."

The same spirit runs through all departments, and, as a result, a government productive establishment would stand absolutely no chance in the open market, and the probability is, that with universal state manufacture in England, and abolition of private industrial enterprises, we should rapidly stagnate at a relatively low level of production, and be left far behind in the international race.

Under such a system, although equality might be possible, it would tend to be the equality of the sty.

The result then, of consideration of the scheme of national monopolistic organization of labor leads us to recognize therein what has been called "toryism in embryo," seeing that the people would be "taken care of, watched over, regulated, drilled and governed, down to the most complicated and delicate details," whereas, if we have faith in freedom, we shall rather hold that the essential duty of the state is to see fair play, and leave us all to squeeze each other to the uttermost; only, as a first necessity, the state must retain in its possession, for the benefit of all, the reservoir into which must flow the wealth which the squeezing will force away from the laborer, thus ensuring that individualism, while obtaining its just reward, shall get nothing more; or, in other words, that the state shall be no more robbed than the individual, any wealth wanting an owner being taken possession of by the community, as common property.

We need not be afraid of any very great variations or inequality among men, under such a system. It is not competition which is responsible for the millionaire and the pauper; the millionaire is only possible with monopoly, and, even with monopoly, without land, millionaires would cease to exist as a class, and each generation would practically have a reshuffling of the cards. In truth, the hope of humanity lies not in organization, regulation, or restriction, but in the free play of enlightened selfishness, which, though the mean-

est of motives, is the monarch of motors, and our duty therefore, is to acknowledge and utilize this inseparable characteristic of man at the present stage of his existence. While, however, we may be prepared to fearlessly advocate competition, it can only be on one condition, i.e., that it be free—absolutely free!

We may be prepared to keep the ring while the lion and the tiger fight for their prey, but we shall require of necessity that no fox shall be allowed to creep in and sneak off with the prize. Let us therefore consider whether the existing system, which the opponents of socialism would presumably leave untouched, provides this *sine qua non* of true and absolute freedom.

We are told by Herbert Spencer that the present system does not say: “Do this, or I will make you,” but merely: “Do this, or leave, and take the consequences”; man thus being presumably left free to settle his destiny for himself.¹¹⁵ But what are the consequences of “leaving” in a world where the storehouse of material—access to which is a first necessity of existence—has been appropriated by the few? What can the consequences be, with an organism that requires food, clothing, and shelter day by day? Obviously, the sentence is practically the equivalent of: “Do this, or take the probability of death.”

Again, the same authority says, that *now*: “Each takes care of himself, and all see that each has fair play.” But how can there be fair play so long as a single individual is receiving wealth without corresponding work, past or present; in a world where St. Paul’s view commends itself absolutely to our common sense, that: “He who will not work, neither shall he eat?”¹¹⁶ How is it possible to speak of fair play, as being involved in a system by which individuals are receiving millions sterling for rent, which the most determined defender of “things as they are” must acknowledge to be due to the labor of the community?

The golden side, then, of the socialistic movement, away from all the individual eccentricities which inevitably gather around any great movement, is that the profits of monopoly, together with rent and interest, are national property; and, on the other hand, the golden side of the opponents’ argument is that freedom is the secret of progress. Careful consideration will show us that there is absolutely no antagonism between these two statements.

As to the justice of the socialistic claim, no writer, of eminence on political economy can deny that rent is unquestionably the result of the labor of the community, and in no sense of that of the landlord, but the same is not equally obvious with respect to interest.

The one absolute truth with regard to exchangeable wealth is, that there is no form of it that is not the result of labor; and, therefore, any man who has possession of wealth for which he cannot show the corresponding labor,

either past or present, may be fairly called upon to account for the mystery of his possession thereof. This is seen readily enough in the case of the poor man.

The policeman "runs in" some miserable wretch on the ground that he has no visible means of support; by which is meant that, although he is somehow obtaining food, clothing, and lodging, yet he is doing no work to represent these comforts. And if, when brought before the magistrate, he is found to be in possession of half-a-dozen watches, and is asked how he accounts for them, what will be the opinion of the magistrate if the man answers: "Well, your worship, some years back I manufactured a watch, and these watches are the little ones that that watch produced, which have since grown up?" Such a plea will be treated with the scorn it deserves.

And yet the man's answer is absolutely in accord with the practical faith of most of us. We are born into an atmosphere in which the one thing that is looked upon as worthy of a man's most active exertion is to be able to live without work; to obtain what is called an independency; which means that, by some human arrangement, we should be able to make others work for us. The man's watch and its offspring are obviously ludicrous; but if we put out a sovereign at what is called "interest" we need have nothing whatever to do with its use, and yet we shall be by no means struck with the miracle when, at the end of the year it comes back to us with a little baby sovereign by its side, but, nevertheless, give it time, and the series of baby sovereigns shall increase beyond conceivable limit.

And yet, it is obvious that, if all the capital in the world were gathered together in the most perfect form conceivable for productive purposes, it could not produce wealth to the extent of a pin's point without the aid of living human labor; whereas, if it were all destroyed, labor, having access to land, would rapidly replace it. Capital is, in fact, nothing more than stored labor. A spring is wound up, and stores up the labor necessary for the winding. A hundred tons of water are pumped a hundred feet high, and again labor is stored up; but by no known means can we get from the wound-up spring, or from the pumped-up water, one atom more power than has previously been invested in it.

If it were true, as we have been taught, that money breeds money, then a man passing out of civilization and working by himself face-to-face with Nature, ought to find his pumped-up water increasing in quantity, the machine that he has made not only repairing the waste of use but producing other machines. Nature, however, has no such method of rewarding idleness: To obtain anything beyond the cost of its maintenance, capital must be brought *within the cooperative circle*, thus indicating that interest is not a product of capital, but an accompaniment of cooperation.

Interest is said to be a reward of abstinence. If so, it ought to be possible to

all. But if *all* were to try to live on their savings, without further labor, the fallacy would be immediately exposed. If a man makes a hundred loaves, he can either eat them at once, or in installments, but he will not find them improve with keeping. Society, however, will enable him to store them safely, and without depreciation, and, therefore, anything beyond the mere return of his produce, in installments, to suit his needs, must be due to the labor of the community.

In the abstract then, interest is obviously an outcome of the labor of the community, and the only question is how most speedily and efficiently to bring it into the national exchequer. To this the answer of the advocates of land nationalization is: "Get the land! Get the land! and the rest will come in its own good time."

Impatient reformers, who fail to recognize the all-sufficiency of land Nationalization, should remember that chickens are not hatched by mere cracking of the shells, and that any attempt to forestall the natural course of events will only end in disaster to the victims of untimely and injudicious zeal. Evolution, bodily, mental, moral or social, is only possible by patiently passing through "the next step in order."

We should have but scant respect for the wisdom of one who insisted on gluing wings on to a caterpillar, in the hope of making a butterfly. No! Free play for the insect's crawling and voracity, with wise provision for the peaceful assumption of the chrysalis stage, will do infinitely more towards the producing of butterflies than any amount of insistence upon immediate wing additions. In demanding that the nation should now seize capital and organize labor, the advocates confuse results with means.

To the extent that these two ideas are well-founded, they will come naturally and inevitably, when the land is common property. To the extent that they are at variance with Nature's laws, or premature in their appearance, any attempt to establish them will ignominiously fail; in which connection it is well to remember Mill's dictum: "that the laws of wealth-*production* are laws of Nature, while the modes of its *distribution* depend on human will."¹¹⁷

Now, it is beyond question that the ownership of land is the most important factor in regulating the distribution of wealth, and, on all sides, there are ever-increasing indications that the time has come for the common brotherhood to take possession of the common inheritance, and utilize it for the good of all.

All human institutions run their course—birth, life, death. Labor organization is still in its youth, and individualistic greed has yet much to do before it will have reduced the problem to the requisite simplicity for state management; but, with regard to the human institution of *landowning*, this is now ripe for transfer to the state, and private property in land is no longer compat-

ible with human progress. The fundamental blot of the existing system is, in fact, the survival of the unfit.¹¹⁸ In the childhood of the race it was necessary to place the purse in the hands of the stronger brethren to keep; and, so long as the various communities were comparatively small, with family traditions hanging around them, the system worked well; but now that we find the right has become divorced from duty, it behooves us to see that the common earnings be no longer misapplied.

It may be well here to allude to the argument that the ownership of land has a magic power that will cause the desert to blossom. In this statement, the error is made of confounding *ownership* with the right to *the use* of land. Security of tenure under the state, for a period commensurate with the amount of labor to be sunk in so-called improvements, will be found to have in the future an even greater influence on progress than in the past; for the work of the world on the whole has been done by tenants and not by landowners, and the energy of tenants in this respect will certainly not be weakened by the fact that the reversion of their stored labor will ultimately come into the possession of the community of which they form part; instead of, as now, into private hands.

The reform then of reforms, which will lead to all that the most enthusiastic socialist can wisely wish for, is land nationalization. It is unnecessary to say that nothing so absurd is meant as universal division among the existing members of the nation. Nor do we mean the delusion called a peasant proprietary, which is nothing more than an attempt to erect a barrier between the nation and the landlord, in the futile hope of stemming the coming flood. What is meant by nationalization of the land, is simply that the various municipalities shall replace the existing landlords; in other words, that the unjust stewards shall be displaced, and their powers and duties transferred to the popularly elected representatives of the people, and thus, the rent, which all produce, be allowed to flow into the common purse.

As to the true bearing of the land question, there is a widespread misconception even among land nationalizers and socialists, some assuming it to be merely agricultural land that is in dispute; while, what is more astonishing still, one of the most vigorous organs of the socialist movement lately stated that "social democracy will of course do away with rent altogether, as it will sweep away competition and monopoly of land, which are the causes of rent."

As to politicians, we lately saw in the House of Commons, when Mr. Provand suggested that the land ought to pay more taxes, that he, and those Members who supported him, asserted that rates are paid entirely by the occupiers, whereas, Messrs Goschen, Chaplin, and Gladstone all agreed that rates are *now* paid by the *land*; Mr. Chaplin stating clearly that if the occupier paid more rates, the owner would get less rent, and vice versa; while Mr.

Gladstone vigorously asserted that "relief of rural land rates was, in the long run, a sheer, ultimate, unadulterated gift to the landlord."¹¹⁹

With these and other varying opinions on the subject, it becomes necessary to endeavor to ascertain the measure of the true economic rent which the land nationalizers desire to see absorbed by the community.

In the first place, we must dismiss from our minds the idea that agricultural rent alone is in question. With increasing facilities of exchange, cheapened transit, improved methods of preserving food, etc., it is conceivable that the agricultural rent of England may disappear, but wherever the cheapened commodities are consumed, rent will rise proportionately, and the *total* economic rent be increased.

We need not therefore trouble ourselves with the theory that rent arises from the fact that labor is constantly being forced onto increasingly inferior land. In an agricultural age such a view was natural and reasonable, but when applied to the present position it misses the great truth that rent is in its essence, an emanation from cooperative man, and that the claim of the nation to rent, is based on its right of ownership in the fruits of common labor.

As communities are formed, the resultant comfort-giving, labor-saving, and wealth-producing power, which are the true measure of rent, give to outlying land, previously rentless, an annual value which may be far in excess of the original return from the best land in use.

Hence, we see that rent is not due to productivity of the soil so much as to the productivity of labor on a given area, and that wherever workers congregate, *there* will rent be, whether manifest or hidden.

What is meant then, by *rent* in this investigation, is, broadly speaking, the whole of the extra wealth resulting from the countless and ubiquitous advantages surrounding labor within the cooperative circle. This, the *true* economic rent, cannot be retained by the mere worker, however great the general skill and knowledge may become, but will flow away from him, by a just and natural law, which takes from the individual that portion of his apparent production, which is due to the community.

It is true that landlordism does not, under present conditions, obtain the whole of this surplus, which absolute and unrestricted control would enable it to extract. This is owing to three causes:

Firstly: there is a restricting influence in the general and growing distrust with which the nation views every special exercise of the authority of the landlords, in their endeavors to obtain advantages commensurate with the rapid increase of productive power.

Secondly: the landlords themselves shrink from productive employment, partly in consequence of the numbing effect of the possession of unearned wealth, and perhaps still more, on account of natural incapacity. They are

therefore compelled to call in others, to utilize the land, in order that the flow of rent shall glide into their possession.

Thirdly: the competition of the numerous landlords, in their efforts to attract tenants, materially reduces their power of absorption.

This weakness, therefore, is of no benefit to the landless but merely leaves more to be scrambled for by middle men. This weakness, however, of existent landlordism, is of no direct service to the disinherited mass of the nation, inasmuch as the extractable surplus nevertheless *leaves the worker*, never to return (so long as the fundamental continues to exist), except to the extent of the dribbles of governmental expenditure, providing comforts and conveniences for the people which otherwise the masses would have to go without.

The principal result then, of the present landlordial weakness is that intermediate men, as holders of monopoly in some of its myriad forms, are able to divert to their own advantage, an increasing portion of the flow of the nationally produced wealth, which would otherwise pass on to its natural terminus: the national exchequer.

In order then to utilize for the common good, the extracting force of absolute ownership, land nationalizers propose to replace the existing numerous landlords by *one* universal owner—the people, so as to ensure that the wealth which passes away from the *worker* shall return to him as a *citizen*.

It will therefore be useful to trace out this all pervading mystery called *rent*, in a few of its multifarious forms. For just as in the world of science, it is being dimly recognized that all the diverse phenomena of Nature spring from one natural law, with varying manifestations, so, in the productive world, we are beginning to realize that rent is far oftener latent than sensible. Not only does it appear in its crude form of ground rent; it also masquerades as mining royalties, building reversions, premiums for nondisturbance, interest received by middle men, profits to tenants, blackmail on improvements, beside the countless forms under which accumulated rent is invested.

The far-reaching character of this latter form of embodied rent is at present but very imperfectly appreciated, although there have been some very educative object lessons presented to the public lately; as, for example, when a great London landlord, a short time back, on the expiration of a number of leases, claimed and obtained one-million sterling for nondisturbance, although the tenants had to accept improving leases at greatly increased rentals.

Now, it is clear that the many valuable buildings which become the landlord's property were all embodied rent as well as the million sterling, and that all the future income derivable from both will be the produce of rent.

Turning away, however, from this large question, it may be interesting to follow a little trickle of rent indicated by some remarks at a meeting of the

National Telephone Co. a few weeks ago, where one of the speakers said that he had suggested sometime back the importance of securing the higher points of any locality over which the telephone company had powers, for the reason that, when they had gained possession of these, for the fixing of their wires, the General Post Office itself would be found powerless to supplant the company and the chairman frankly acknowledged that the way-leaves already obtained in London were of very great value, hinting that, as a consequence, the company would not need to reduce its tariff to any serious extent, because any opponent would be so crippled by the virtual monopoly which they had thereby attained.

There is also a large amount of potential rent in what is called "wages of superior skill." With the spread of education, and the destruction of monopoly, giving free play to the laws of supply and demand in the higher forms of labor, exorbitant profits and large salaries will be rapidly cut down, and be thus seen to have been hitherto wealth arrested in its flow to the landlord, "the robber who takes all that is left."

The subject, however, of the all-pervading nature of rent, is too vast to be dealt with on this occasion, and we may therefore content ourselves with endorsing Henry George's view, "that all new inventions, discoveries, improved methods of organization, facilities of transit, and the innumerable conveniences of civilized society have, as their ultimate outcome, a tendency to enhance rent."

We must, however, [become] beware of confounding the capitalist with the employer or organizer of labor. The critics of socialism readily take advantage of the confusion on this point, and in defending capitalism, quietly ignore and relegate to the background, the idle interest receiver; pushing to the front the Inventor, the discoverer, the scientist, the labor organizer, and laying stress on the valuable services of the master minds of each generation.

Thus, the Duke of Argyll, in dealing with relations of labor and capital, takes his stand on the dictum that: "Mind is the prime mover in all work and wealth," continuing that,

when the muscle laborer is asleep, minds around him are constantly saving and planning for the employment of savings, upon services useful to the world. When the muscle laborer awakes, he may find some "great work" projected or begun, on which his special kind of labor can find a very highly paid employment. He has had no share in the saving, nor in the plans for the spending of it. He has had no share in the spirit of enterprise, nor in the ingenuity which these plans involve. He has had no share in the risk; he has been passive and inert.¹²⁰

From this, the duke argues that the claims of manual labor have been greatly overestimated, and that if the wage-earning classes will reflect, "they will see that the 'true dignity of labor' lies in recognizing the fact that mind in all its manifestations, and not muscle, is the great factor in all human progress."

All this is very true, but it is another form of Carlyle's statement "that the history of what man has accomplished in this world is at bottom the history of the great men who have worked here."¹²¹ But the true socialistic assault is not on *workers* of any kind, but on the private misappropriation of wealth due to the labor of the community.

The judicious quick-witted and farsighted employer, and the skillful, ingenious organizer are valuable workers, and although our present system may allow some of them to appropriate more than their due, the wise method of dealing with the matter is not to destroy them, but to increase their number by the simple process of granting equal opportunity to every citizen to obtain the knowledge best suited to his capacity.

The capitalist, in the sense of idle-interest receiver, land nationalization will ultimately abolish; the employer, who is supposed by many to be the national bloodsucker round whom capitalists and landlords revolve as satellites, is in reality, where successful, an advantage rather than a hindrance to labor, and, any profit he may obtain (of course, always remembering the existence of the fundamental lie) is taken, not from the workers, but from wealth on its way to the landlord; for the employer and the organizer, where successful (and the successful ones are a diminishing percentage of the whole), gain a larger share of wealth, owing to the fact that they possess special qualifications needed by the world.

Their disproportionate gains, therefore, can only be understood by education of the masses; and so long as the existing system continues, the improvement of education, causing a reduction in the wages of superior skill, by increasing the supply, would swell the rents received by landlords. For rent in the sense in which we are using the word means that man the worker, whether with hand or brain, whether servant or master, whether as house builder or tenant, will pay rather than be expelled, and is, in fact, the measure of the gathered knowledge of the centuries, and the varied conveniences utilized in the cooperative circles.

Landowners, in fact inherit the legacy from the individualism of all past ages; for, as soon as an invention has become [a] matter of common knowledge, competition squeezes all produce, beyond wages and rent, from the workers making use of the invention, and thus, however great the natural surplus arising from the increased productive power of labor, it will all pass into the national cupboard, of which, at present the private landowners keep the keys.

When, however, the land is nationalized, then the man who becomes wealthy will be the pioneer of knowledge, giving the nation the benefit of his discoveries, and, at his death, the reversion of all such parts of his wealth as are left in a permanent form. We need not, therefore, fear the inequalities under a free and just state of society. Man's true wage varies, but little; God makes men, on whole, fairly equal, but men's laws give an unlimited power of appropriation.

It has been stated that Jay Gould's income is so immense that he does not spend the interest of the interest; in other words, each year he invests such an enormous amount from his income, that the amount so invested brings in an annual return sufficient to defray all his expenses of living.¹²² This fact opens to us a vista of possibility in the future for the heirs of such men (if the nation is insane enough to allow the system to continue) at which the human brain reels.

And yet, what is the source of Jay Gould's wealth? Is it that God has endowed him with such a marvelous brain power; such wonderful energy; such miraculously exceptional qualities as would be commensurate with his annual income? Needless to say, that no such explanation is required.

Given an unopened area, over which monopolistic rights are granted, say for the construction of a railway, if a child dip [his] finger in the ink, and trace a line across the area according to [his] own unreasoning impulse, saying, "this is a railway," all along that track would spring up the "potentiality of wealth, beyond the dreams of avarice." And let the little finger stop at any one point, and say, "this shall be a station," and lo! a further gigantic opportunity of misappropriation of concentrated wealth is placed within the power of the monopolist.

But, whatever the source of Jay Gould's wealth, if America were to nationalize the land tomorrow, where then would Jay Gould's wealth be? The whole dazzling superstructure would crumble like a house of cards. But, nevertheless, the Jay Goulds have value, so long as they are properly utilized: their true value being that they teach their country.

Still, the importance of our industrial leaders may easily be overrated. If all the wealthy men of England were to die tomorrow, while there would be much temporary inconvenience, we could soon replace them, as bees replace the queen bee when necessary. "God of these stones can raise children unto Abraham."¹²³ "The king [is] dead; long live the king." Bismarck invaluable, Bismarck deposed; the transferred authority carries with it the value.¹²⁴ As to the landlords, the old farmer, mentioned by John Bright, hit the nail fairly on the head when told that if some reform were passed, the landlords would leave the country; to which he answered with the shrewd question: "Will they tak' the land wi' 'em?"¹²⁵

Not only, however, can the land be nationalized with perfect safety, but, when the reform has been accomplished, the advantages of the change will appear in innumerable forms on all sides.

The facilities for making widespread improvements are on the surface. There will no longer be any antagonistic interests to interfere. An improvement may benefit a wide area, while being only a source of expense to the locality where it is carried out: with private property in land, therefore, however great the need for the undertaking, exorbitant compensation will have to be paid to one set of landlords and corresponding benefit transferred to others.

With the ownership, however, in the hands of the community, difficulties vanish. For example, if a railway be required across any part of the country, all the displaced tenants will merely pass to other portions of the same estate, carrying their rent-paying power with them, and the rent, which will have disappeared from the railway track, will have reappeared on some other portion of the property of the community, and thus the cost of the land for the railway will be practically nil.

With respect to the crowding of workers in the slums of large towns, if the community thought fit to establish free tramways, in addition to the beneficial influence of the increased health of the workers themselves, the expense would be recouped by [a] rise in suburban rents, passing into the purse of the community, the town rents also rising, owing to increased compactness of the manufacturing area.

With the rent in the hands of the community, pensions for old workers would be granted, not as a dole, nor even as state-aided savings, previously extracted from them by what is called compulsory insurance, tending to keep the laborer in a state of penury during his working life; but the annuity would come as his rightful share in the fund which in his cooperative capacity he had previously helped to produce.

Free hospitals would be instituted as a matter of course and of wise economy, when the productive power of each went to swell the property of all. In fact, to the extent that the rent was expended in the production of as many "bright-eyed, full-breathed, happy-hearted human creatures" as possible, the result, so far from being a wasting of the revenue, would show more and more that the divinely ordained fund, which we call rent, will, like the oil in the widow's cruise, be inexhaustible, as long as it is used wisely and judiciously.¹²⁶ But all this is on one condition, and on one condition only, namely, that the purse shall be in the hands of those that fill it.

No, although the futility of the scheme of the "national organization of labor," and the absurdity of treating it as the equivalent of socialism, have been frankly condemned, the idea, nevertheless, has its golden side.

If we are to accept, as permanent, the existing foundation of private prop-

erty in land, [the] national organization of labor, so far from being an unwise and hopeless attempt to run counter to the irresistible laws of Nature, is a vitally necessary scheme to avoid the consequence of the fundamental lie, for, if we grant that the surplus value created by the labors of all, shall continue to be appropriated by a few, it becomes the imperative duty of the state to see that the disinherited portion of the nation (the manual workers) are not outrageously underpaid or overworked.

As to the impracticability of this regulation of work and its reward; if the whole nation were now working for bare subsistence, and there was no margin for any reduction in the total wealth production, it is conceivable, nay probable, that the pressure of competitive labor outside our own nation, might make such legislation of noneffect, but in the face of the fact, that, since the beginning of this century, the amount of the national wealth production, appropriated by idlers, has increased by hundreds of millions of pounds per annum, it is clear that by an alteration in the man-made laws of distribution, although the few might have to dispense with some unwholesome luxuries, the many would nevertheless be enabled to compete with the open market, in spite of there being some chance of manual living a decent human life.

State regulation of labor therefore, even if unwise, is practicable *now*. Shaking off, however, the nightmare of our existing social system, and reasoning on the basis of Ld. Nn. [land nationalization], let us consider whether state regulation of the remuneration of the lowest stratum of the community would necessarily be incompatible with liberty. Even, at present, and without legislation, to a certain extent there is a regulation of the reward of labor above the mere subsistence level. Public opinion in different countries gives varying standards, the highest of which is several times greater than that of the lowest.

Nevertheless, the competitive market has no difficulty in adjusting itself to these variations, and if the nation could by any method settle that no man should be compelled to work for less than 4/- for a day of 8 hours, the English competitive market would inevitably accommodate itself to its new surroundings.¹²⁷ To do this by means of an act of Parliament, declaring that no man shall be employed on lower terms than the official standard, would (granted the continuance of the fundamental lie) merely result in the condemnation of the lowest stratum to pauperism or death; but let us for a moment presume that the nation, having the rent in its hands, and wishing to spend it as a wise father would do, in giving all the members of the family an equal opportunity of finding that line of work best suited to their capacities, established national workshops, or what might be called adult-technical schools, every citizen having the right to enter them at any time, the wage and hours of labor being according to the official standard.

Obviously, the competitive market would then be compelled to pay something more to tempt the men to work outside, and any practical man with experience of the productive world, will acknowledge that this would readily be done.

In the first place, the rise of wages would stimulate the invention of labor-saving machines, in which department, England, owing to the relative cheapness of manual labor, is woefully behind, and the consequent increase in the productive power of the nation would cause an increase in rent. That there would be a loss, as regards exchange value, on the production of these national workshops, is highly probable, but there is ample margin, in the income now misappropriated by the few, to meet any deficiency, which, after all, would only be the addition to the present cost of keeping the unemployed, and against this loss there would be set the production of the national workshops. When, however, it is realized that by this scheme the manufacture of vice, idleness, and ignorance would be arrested, and in place thereof, qualified and well-drilled labor power would be produced, so far from there being a loss, it would be seen how impossible it is to spend the rent wisely without its returning to the national exchequer.

One point wants a little clearing up. We have spoken of socialists as advocating the nationalization of rent and interest, whereas, as a matter of fact they generally express the idea by the nationalization of land and capital, their argument being that land and capital are essentially the same thing, and that any scheme to take the land must involve of necessity a like claim to take the possession of capital. Now, land and capital are not the same thing. They differ in two respects:

First: *Capital is produced by labor*, land is not! True! if existing capital be traced back to its source, it will probably in the main be found to be merely invested rents, that is to say, the result of the labor of the community, but this does not mean that therefore it is ours; it is the accumulated surplus of our ancestors, and being the result of *past* labor, the generations which produced it had the right to use it, destroy it, or give it away. In allowing it to be what we call misappropriated, they may have acted wisely or foolishly; in knowledge or in ignorance; as brave men, or as cowards; but, in any case, as the true foundation of our position is that we claim, with regard to our produce, the right to deal with it according to our wisdom, so, on the same basis, they had an equal right to act according to their folly.

Second: *Land is permanent and a fixed quantity*. Humanly speaking capital is neither. To obtain possession of land, the only possible method is to take the land now in existence, but capital is an ephemeral production, dying from its birth, and therefore there is not the same compulsion to take existing capital as there is to take existing land. Furthermore, the former will rapidly

be transformed into the harmless condition of mere wealth, provided always that the nation of workers have control of the source of materials from which fresh capital alone can be made or maintained.

In this connection the old fable of the magic field slightly modernized is highly instructive. An ancient king possessed a magic field in which there grew a magic tree which had the peculiarity of being able to supply all human requirements. On his deathbed, the king informed his eldest son that he left to him the magic field, and subsequently the younger son was told by the dying monarch that to him was left the magic tree. After the old man's death the eldest son went to the tree to obtain what was necessary for himself and his household, but was stopped by the younger brother on the plea that the tree belonged to him. After some altercation the elder brother went to an old wise friend of his father to ask his advice, stating that he was inclined to either take possession of the tree by force, or to have it rooted up and destroyed.

The old man then said to him:

My son, this tree has supplied the wants of your father's retinue, and of yours, and also that of your brother, and, therefore, the uprooting of the tree, while injuring your brother, will be equally injurious to yourself; as to forcibly taking from your brother that which your father left him, such a proceeding would open up possibilities of civil war from which I am sure you will wisely shrink. On the other hand, the field being yours, your brother's tree has its roots in your soil, and draws therefrom all its sustenance, which it transforms into the fruits which human beings desire. Further, access to this tree is only possible by passing over the surface of your land.

You have therefore a perfect right, and your brother will wisely acquiesce in your assertion thereof, to claim from your brother such a portion of the fruits of the magic tree as will fairly represent the benefit which he, as its owner, derives from its position in your field. You will thus be saved from any immediate difficulty, and, as to the future! remember, that trees, like human beings, pass from youth to age. See to it my son, that, in the time to come, trees are planted in the magic field on your behalf, and as they come to maturity, while your brother's tree peacefully decays, you will gradually become independent of him, and finally be master of the magic field and trees alike.

Now, if for the magic field we substitute land, and for the magic tree capital, we have the whole position in a nutshell. Given a nation in possession of the land, from which all materials come, and onto, or into which all permanent fixed produce of labor must be placed; it is obvious that, peacefully and irresistibly, the state must eventually become the universal owner of wealth in all its fixed and permanent forms, or in other words, in all its

interest-paying forms, differentiating interest from insurance against risk, and wages of supervision.

In connection with the above, the instance of Guernsey Market is very instructive. A market being required, the local parliament, instead of borrowing money at interest, issued state notes, based on the work done. These notes were paid to the contractor as the work proceeded, and with them he paid his workmen; they, in turn, using them in their purchases. In all, £4,000 was thus added to the currency, and shops so erected were let at the yearly rent of £400, to which extent, state notes were annually burnt in the presence of the official authorities, thus paying off the whole cost in ten years without any expense to the community, in whose possession was left an improving property, bringing in a substantial income, free from all encumbrance.

Let me then sum up my position. Am I a socialist? If to be a believer in the brotherhood of man, and in all that is implied thereby; if to have as my ideal that of Louis Blanc: "From all according to capacity, to all according to need"; if to yearn for the extinction of class by its absorption into humanity; if this be socialism, I am a socialist!¹²⁸ If, to have as my political aim the abolition of all private monopolies and the appropriation of rent and interest by the nation in order that the state may spend the income so received in making all good things common to all, and in utilizing the balance in national investments—If this be socialism, I am a socialist!

But if in order to be a socialist I must insist on taking wealthy owners by the throat, and forcibly seizing, in the name of the nation, all existing capital, then I am not a socialist, and I deny the necessity, expediency, or practicability of the proposal. Finally, if to be a socialist, I must advocate that the state shall become the universal employer of labor, at this stage of man's development, I reply that there is no principle whatever in such a proposal, and that it is in my view quite outside true socialism.

That my view as to its feasibility may be fallacious, I readily acknowledge, but the scheme be anything more than a makeshift attempt to deal with the problem of the future on the basis of the continued existence of our present system, I assert, unreservedly, that to the extent that the proposition is in harmony with Nature's laws, when the land is nationalized, it will come of its own accord, irresistibly and in due sequence.

All this, however, is quite consistent with the view that undertakings which are in their nature monopolies, should be owned by the community and as far as found expedient, worked by public officials in the public interest. To sum up the whole matter then—true socialism is a religion, a faith, an end, of the embodiment of which, in social life, the system of L/N [land nationalization] is the all-sufficient means.

When a fair trial of that system has been made, in the atmosphere of perfect freedom and no favor, the community retaining the fruits of its labor; the

wealth, earned in common, will so far overtop the just wages of the individual, that the essential equality of man will be evident to all, and it will be recognized that the happiness of the individual will be most completely secured, by consciously working for the benefit of all! and a nobler discontent and a grander hope will arise, leading to a state of being as far above our present conceptions, as we are above the conception of our ancestral slime.

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The Great Battle of Labor, *New York Journal and Advertiser*, September 5, 1897

I have neglected no opportunity of telling workingmen that what they have to fight in order to accomplish anything real and lasting is not their immediate employers, but the false and wrongful system which, by depriving the masses of men of natural opportunities for employment of their labor, compels them to struggle with one another for a chance to work.¹²⁹ I have constantly endeavored in every way I could to induce men to revert to first principles, and to think of these questions in a large way; to convince them that the evils which they feel are not due to the greed or wickedness of individuals, but are the result of social maladjustments, for which the whole community is responsible, and which can only be righted by general action.

Utility of Strikes

Yet I realize that it is folly to tell workingmen, as they frequently are told, that they ought not to strike, because strikes will injure them. Not only are there many workingmen who have nothing to lose, but it is a matter of fact that strikes and fear of strikes have secured to large bodies of them considerable increase of wages, considerable reduction in working hours, much mitigation of the petty tyrannies that can be practiced with impunity where one man holds in his hands control of the livelihood of another, and have largely promoted the growth of fraternal feeling in the various trades. The greater number of strikes fail, but even the strikes that fail, though its immediate object is lost, generally leaves the employer indisposed for another such contest and makes him more cautious of provoking fresh difficulties.