

Why Work Is Scarce, Wages Low, and Labor Restless, Metropolitan Temple, San Francisco, March 26, 1878, by Henry George

Ladies and Gentlemen: I am about to address you on a subject that is beset on all sides with prejudices and misapprehensions, and to say things liable to be misunderstood and likely to be misinterpreted. I am about to attempt the difficult task of putting into popular form and compressing into a few words reasonings which traverse almost the whole field of political economy. I shall be obliged to state with brevity, and even leave to inference, propositions which it would require hours to exhibit in all their force. But do not therefore think that I leap to conclusions. I bring you no crude notions or half-formed theories, but the mature result of long thought and study. And at the outset let me ask that you give an impartial hearing to what I shall advance, not rejecting it if it seems novel or condemning it if it seems radical, but subjecting it in your own minds to the test of reflection. The social law which I shall endeavor to make clear to you is as simple as the law of gravitation but as all-compelling. Try it for yourselves by that mental process which is as conclusive as the analysis of the chemist or the demonstration of the geometrician. If you once apprehend it, it will solve many a perplexing problem, and cast a light into the very highest realms of thought.

And surely it is time that those who can think for themselves should be thinking. Within the last few months symptoms of distress and disquiet have shown themselves among us, widespread and menacing enough to arrest the attention of the most careless.

When thousands are fed by public charity; when a pitiful dollar a day for the hardest work is offered as a dole and sought as a boon; when there are on the one hand attempts to give to repressive law a stringency that outrages the genius of our institutions, and on the other threats of steel and the torch; when capitalists talk of organizing a military force, and labor associations of buying rifles, it is time to ask: "what is the matter?"

These things indicate more than a surface disease. To the eye of the careless these little bright spots are but accidental irritations that may be cured by a cooling lotion or a heating salve. But the student of political and social science sees in them the first marks of that leprosy of which nations *die*!

To no temporary cause can we attribute this distress and this disquiet. It is true that last winter was dry and that last summer's crop was short; that this year the rains have been abundant and the crop will be great. But who that has seen how through good season and bad season wages have been gradually falling in California; the gulf between rich and poor steadily widening; the streets of the city more infested with beggars and the roads in the country fuller of tramps, can fail to recognize the action of a permanent cause.

Let us not deceive ourselves. New railroads may be built; new mines opened, and the green and gold of wheat fields cover now barren land. The city may extend; our exports and imports may increase; factories multiply and new palaces arise. But just as through all we call growth, through all we call progress, the condition of the working classes has year by year steadily grown worse in California, so must it continue to grow worse as long as the general causes which are producing this result continue to operate.

The Cause a General One

What are the causes, or rather what is this cause?—for, though many things may be enumerated which tend to make the rich richer and the poor poorer, there is evidently one which is to the others as root to branches.

Is it the Chinese? An evil, an unmitigated evil, the presence of the Chinese surely is. But though I fully recognize the dangers of Chinese immigration, and have long protested against it, I cannot shut my eyes to the fact that distress of the same kind, even deeper and more widespread, exists all over the East where the Chinese have not yet appeared. Nor, although I plainly see the wasteful stupidity of national fiscal legislation, can I attribute to currency or to tariff the want, the suffering, the stagnation which are as apparent in other countries as in the United States.

It is evident that beneath all local causes, some common cause is operating. That these symptoms of distress and disquiet have begun to show themselves in California communities, proves that the problem with which we are beginning to be confronted is the problem that today confronts the civilized world. The cause, whatever it be, that is lowering wages and producing destitution in California, is evidently the same cause which in all progressive countries associates poverty with wealth. I state this to show that for the real cause of distress and disquiet we must look deeper than the evils that are peculiar to us, and not that in the scope of a single lecture I propose to ask you to follow me over the world or through any course of abstract reasoning.

We have here all the facts necessary to the solution of the problem, and we may see them here clearer than anywhere else. For antecedent conditions to which in older countries the poverty of the masses is often attributed are wanting here. Where everything is new, we can blame nothing to the past. Under our very eyes, a highly civilized community has arisen on virgin soil. From a social condition that was nearer equality than anywhere else existed, we have seen the classes of rich and poor separate; we have seen great fortunes grow from their very beginnings, and wages fall from the highest point known in modern times. Let us endeavor, then, to discover here the general cause which is operating to reduce wages and increase the number of the unemployed. If we find it something common to the other countries where there is similar distress, our conclusion will be proved.

Wanting Work

We talk about men wanting “work”; we laud the charity that furnishes work, even if the wages be but a dollar a day. Did it ever strike you what an absurdity is involved in thus speaking of *work* as something to be desired? If *work* is what is needed, nothing is easier than to get it. If there is not work enough to go around, all we have to do is to burn down the houses, break up the machinery and tear up the railroad tracks. If that will not suffice, we may make still more work for ourselves by cutting the throats of all the horses and abolishing wheelbarrows. But in point of fact there never was a human being that wanted work for the sake of work. When we say that men want work we mean that they want things that work procures. These things—the material things that men want and that can only be produced by work—are all comprehended in the term wealth, which as used in political economy, and as I shall use it, includes all the things that satisfy human wants and are obtained by human labor.

Now, have you ever thought what a strange and unnatural thing it is that men who wish to labor in order to satisfy their wants cannot find the opportunity to do so? For as labor is that which produces wealth, the man who seeks to exchange his labor for food, clothing, or any other form of wealth is like one who proposes to give bar gold for coin gold or wheat for flour.

We talk about the supply of labor and the demand for labor; but in point of fact the supply of labor is everywhere the same—two hands always come into the world with one mouth; and the demand for labor must always exist so long as men want things which labor can alone produce. Evidently it is not work that is short while want continues; evidently the supply of labor cannot be too great or the demand for labor too small, when people suffer for the lack of things that labor produces. The real trouble is that supply is somehow prevented from satisfying demand, that somewhere there is an obstacle which prevents labor from producing the things that laborers want.

Take the case of any one of these many unemployed men: In his own wants, in the needs of his careworn wife, in the demands of his half-cared for, perhaps even hungry and starving children, there is demand enough for his labor, Heaven knows. In his own willing hands is the supply. Put him on a solitary island, and though cut off from all the enormous advantages which the cooperation, combination, and machinery of a civilized community give to the productive power of man, yet his two hands can fill the mouths and clothe the backs that depend upon them. Yet here he cannot. Why? Is it not because in the one case his labor has access to the raw material of Nature and in the other case it is shut off? Is not this the explanation of what we call scarcity of employment? Analyze the state of things which compels men to stand idle who would willingly supply their wants by their labor; trace it from vocation to vocation, and you will find that enforced idleness in one trade is occasioned by enforced idleness in another—that it springs not from too great a supply of labor or too small a demand for labor, but from the fact that supply cannot meet demand by producing the things which satisfy want and are the object of labor

How Labor Produces Wealth

How is it that labor produces these things? When we speak of labor creating wealth we speak metaphorically. Man creates nothing. The whole human race were they to labor forever could not create the tiniest mote that floats in a sunbeam—could not make this rolling sphere one atom heavier or one atom lighter. In producing wealth, labor, with the aid of natural forces, but works up into the form desired in preexisting matter, and to produce wealth must, therefore, have access to the matter and these forces—that is to say, to land. The land is the source of all wealth, and hence when we find that labor cannot satisfy its wants, may we not with certainty infer that it can be from no other cause than that labor is shut off from land?

Look at it. When in all trades there is what we call a scarcity of employment, must not the obstacle which thus prevents labor from producing the wealth it needs, lie at the foundation of the industrial structure? The foundation is

the land. The occupations that extract wealth from the land form the basis of all other occupations. Mines did not come to California because shoemakers, tailors, machinists, and printers were here. But those trades followed the miners. It is not the storekeeper who is the cause of the farmer, but the farmer who is the cause of the storekeeper. It is not the growth of the city that develops the State; but the development of the State that makes the city grow. And hence, when men willing to work cannot find the opportunity to do so, the difficulty must be in the employment that supplies all employment; it must be because labor is shut off from land.

Is not this reason verified by the facts? Is it not because men cannot find employment in the country that there are so many unemployed men in the city? If these now unemployed men were producing wealth from the land, they would not only be employing themselves, but would be employing all the mechanics of the city giving custom to the storekeepers, trade to the merchants, and subscribers and advertisements to the newspapers. Now, why is it that unemployed labor cannot employ itself on the land? Not that the land is all in use. Within a few miles of even San Francisco, is unused land enough to give employment to every man who wants it. I do not mean to say that every unemployed man could turn farmer or build himself a house if he had the land; but that enough could and would do so to give employment to the rest. What is it, then, that prevents labor from employing itself of this land? Simply that the land has been monopolized, and is held by men who demand for it extortionate prices!

Why Have Wages Fallen

Let us recommence our inquiry from a somewhat different point. Why have wages fallen in California? There is no mystery about it. Wages were high in the early days because men could make high wages for themselves in the mines. If such opportunities as the placers offered to labor were again opened, the wages of unskilled labor would at once rise, and with them would necessarily rise the wages of all trades and occupations.

But shall we say that wages have fallen in California because the placer mines have given out? Before you answer let me call your attention to the fact, which you may not have before thought of, but which I think you will assent to as soon as stated. It is, that in California today labor is more productive of wealth than when the placers were at their richest. I do not mean to say that the same labor will produce more gold, that the bricklayer can lay more bricks, or the compositor set more type; but that owing to the economies of production and distribution that come with a larger population, to railroads, steamships, telegraphs, and machinery of all kinds, the labor of the same number of men working in all the different vocations is productive of more wealth than when common wages were ten dollars per day.

The proof of this is, that the State as a whole had increased in wealth faster than in population; that we have a larger proportion of rich people and they are very much richer; a larger proportion who live without productive labor—more display and luxury. When you remember that all wealth is the result of labor; that it is the productive labor of a community that must support not merely those who labor, but those who do not; that from this fund must come not merely all wages, but all profits, all interest, all salaries and revenues whatever, you will at once see that the evidences of greater wealth are proofs that labor is more productive.

Why, then, are wages lower? Why, if labor produces more, does it get less? There can be no mystery about this either. The difference must go somewhere, and in what direction it does go we can see by observing where there has been a gain. Now, as the wealth produced in any community must be primarily divided between labor, capital, and landowners, if wages fall while production remains the same or increases, either capital must get more, in which case interest will increase or landowners must get more, in which case the value of land must increase. Now, in California, as we all know, while wages have fallen, interest has not increased; on the contrary, it has fallen too. But the value of land has enormously increased. Here, then, in the increase of the value of land is the explanation of the fall of wages.

That this is the true explanation will be apparent when you consider that the value of land is simply the price that labor must pay for using it. The intrinsic capability of land has nothing to do with its exchangeable value. No matter how rich it may be, it is worth nothing until someone will pay for permission to use it—that is until its owner without doing anything himself can command a portion of the wealth that labor creates. Hence, the value of the land measures the proportion of their earnings which producers must pay to nonproducers. Is it any wonder that wages are low when you consider that the value of land in California amounts to more than the value of all the personal property and improvements—that is to say, to more than there is to show for all that labor has ever done in this State? For all that labor has done in this State is represented by the personal property improvements. The land was here before us; it will be here after we are gone.

Why the Placers Made Wages High

Now, it was not merely because the placers were rich that wages were high in the early days. The Comstock has been richer than the placers; but on the Comstock wages have only been kept up to half-way decent rates by the strong hand of the Miners' Association. And as I have proved to you the soil of California is yet more productive of wealth than were the placers. It was that the placers were free to labor! If they had been monopolized as all the natural opportunities needed by labor are now monopolized, wages would not have been high. The miners might have taken out as much, but only a portion of what they took out would have been their own. The larger part of their earnings would have gone in rent or purchase money to build up great fortunes. It was because that in the mines monopolization was prevented that wages were high—because no one was permitted to take up more ground than he could reasonably work, or hold it longer than he did work it, and that thus an opportunity to employ himself was kept open to labor.

If we had applied the same principle to the land generally wages would still have been high; but instead of that we allowed non-mineral land to be taken and held by men who did not want to use it themselves, but only wanted to compel others to pay them for using it, and so as soon as labor was forced to look for employment beyond the placers, land was monopolized and wages fell, falling lower and lower as the monopolization has become more perfect. *That* is the reason why of the wealth produced by labor in California a few get so much and the many so little; *that* is the reason why men who cannot find employment walk our streets; *that* is the reason why one man lives in a princely mansion, the master of more wealth than any human being can possibly use, while other men, his fellow citizens, are glad to work for him in mud and rain for one dollar a day and a charity lunch.

Why, if with the rains of this spring the placers were to recover their former riches, the effect would be only to make a few Rothschilds, not to raise wages. For the laws which permit the monopolization of the land have now been applied to the mines, and the placers would be grabbed, just as the agricultural land and the timberland, the lakes and the streams have been grabbed as fast as an increasing population needed to use them.

But it will be said that there is plenty of unoccupied land in this State that may be had for nothing by those who want it. What is the use of wasting breath? It is not necessary to point to the long procession of men who came to this State to get farms, and whose efforts to stow away on the freight trains in order to get back keep the railroad employees busy. Men do not pay high prices for what they can get for nothing. And farming land is rented in this State for one-fourth, one-third, and even one-half the crop—the renter taking all the chances, furnishing all the seed, doing all the work and providing even the sacks for the landlord's share of the grain. Now, at the lowest rate, one-quarter of the gross crop, the rent must amount to at least one-half of the net crop. Thus, when two dollars is made, the landlord takes one dollar. Out of the one dollar that is left must come the interest on capital used, and the bulk of taxation, for our taxes are nearly so levied that they fall ultimately on the consumer, and so when two dollars is earned by labor, but a portion of one dollar is left for the labor that produces it all.

Is it any wonder that wages are low? Is it not plain that all the enormous incomes that arise from the increased value of land must be drawn from the wealth that labor produces—and that the more thus taken the less there is left for wages?

The Final Test

We have now traced destitution and distress in California to the monopoly of land. If this be the true answer it must also account for the same symptoms elsewhere. Let us make the test.

Look over the world today. You will find distress among the working classes where there is Chinese competition and where there is no Chinese competition, where the currency is coin and where the currency is paper, where there are high tariffs and where there is free trade, where governments are republican and where governments are monarchical; but everywhere that you thus find distress and destitution in the midst of advancing wealth you will find that the land is monopolized—that instead of being treated as the common property of the whole people it is treated as the private property of a class.

And just in proportion to the monopolization will you find the destitution and suffering. Is it not a notorious fact known to the most ignorant, that new countries, where the aggregate wealth is small, but where land is cheap, are always better countries for laboring classes than the rich countries where land is dear? Do you not find that in these new countries as land increased in value, wages go down and destitution appears? Wherever you find land relatively

low, will you not find wages relatively high? and wherever land is high, will you not find wages low? Just as land increases in value does not poverty deepen? Land in New York is more valuable than in San Francisco, and in New York you may see squalor and destitution that will make you think our leprous Chinese quarter a comparative paradise. Land is more valuable in London than in New York, and in London you may see squalor and destitution worse than that of New York.

Surplus Population

Do not attribute these things to surplus population. It is not surplus population that causes this want and misery, and the proof of this is that, other things being equal, there is the greatest wealth where there is the greatest population. If you were to divide up the wealth of one of these great cities among the population, each one would have far more than a similar division would give in a new country where there is no pauperism. It is not surplus population that is making employment scarce and wages low in California. This State will support in ease and comfort a population of thirty million people, yet there are not here a million of us—white men, Chinamen, and Digger Indians!

It was not surplus population that caused the Irish famine and compelled four millions of the Irish race to emigrate. It was the cursed system of land monopoly, that denied to the Irishmen any right to Irish soil; the system that raised the value of land to such a pitch that the man who cultivated the soil had to give up the whole crop to his landlord, reserving of all the produce of his labor but enough potatoes to keep himself and family alive—

For Irish land is landlord's land;
And, therefore, by her waysides dreary,
Wan wives and mothers, weeping stand.
And beg for aid their dead to bury.

Machinery

And so with machinery. Nothing is surer than that labor-saving inventions ought to raise wages and relieve poverty. Nothing is clearer than that they do not. How can we explain this paradox? Simply by the fact that land is monopolized, and thus every increase in the efficiency of labor but increases the price that labor must pay for the use of land. Is not this so? Have railroads, reaping machines, or other improvements added anywhere to the value of labor? No; they have everywhere added to the value of land!

Look at our streetcar lines. There improvements have greatly added to the efficiency of labor by enabling one man and one horse to carry many more passengers than before. But does labor get any of the benefit? No; the men who run those cars have to stand on their feet for fourteen hours to sixteen hours a day, get but two dollars for it, and are muzzled with a patent machine to prevent them from taking five cents more. But landowners do get the benefit. These streetcar lines have added millions to the value of real estate. Do you realize what increase in the value of real estate means? Does it not simply mean more for the landlord and less for the laborer? Does it not simply mean that the poorer classes must be jammed closer together and pay higher rents, that a man must work longer and stint himself more to get what everyone is by natural right entitled to—a homestead?

What you see here you may see elsewhere. Machinery has nowhere improved the condition of the laboring classes, for it has everywhere increased the value of land. That this is not an accidental but a necessary consequence of the monopolization of land can be easily demonstrated. Imagine invention to go on until perfection is reached, and labor entirely saved. What would be the result? Though wealth could then be produced without labor, it could not be produced without land. The owners of the land would have all the wealth, those who did not own land could get nothing. There would be no use for them.

Of course, that invention should abolish the necessity for labor is only conceivable, not possible. But this is the direction in which it tends. Can you not already see this tendency in the great wheat ranches of this State—grain-fields of thousands of acres without a single home, crops worth millions harvested by machinery and a few laborers who come tramping in with their blankets and are expected to sleep in haymows? The *Colusa Sun* says there will be work in that country for a thousand men during the harvest. But what is to become after the harvest? Then they must come down here to overcrowd the labor market, to have all the manhood crushed out of them; to be turned into paupers and vagrants. There is now no use for them except for a few months in the year. If invention goes on and land monopoly continues, there will soon be no use for them at all. There will be no use for any one not a landowner. But perhaps some few might be kept alive by charity, for the owners of 1,200,000 acres of land recently sent to one of the

church lunches a whole quarter of beef!

And the same causes which thus tend to pauperize the laborer must equally affect the small farmer. He can no more maintain himself amid the plantation system which is growing up in California than the hand-loom weaver could maintain himself beside the steam looms of great factories. He must disappear before the capitalist and the Chinaman, just as the small farmers of ancient Italy disappeared before the usurer and the chained slave.

The Chinese

If you appreciate the force of this remorseless logic, you will not wonder that even to this influx of Asiatics which threatens to overwhelm us I do not attribute the first importance. I know that there are in these streets tonight men who would be glad of even Chinese comfort; I know that there are in this city tonight women who to give their little children bread must nerve themselves to do a Chinaman's work for a Chinaman's wages; I know that there stand around the street corners boys who for months and months have vainly sought the chance to learn a trade; I know there are girls whom hard necessity is pressing towards the life that turns all that is sweet and holy into all that is vile and wicked. And yet, what has Chinese competition done, what is Chinese competition doing, but to push us a little faster in the direction which without it we are going?

If never another Chinaman crosses the Pacific, yet land monopoly continues, the working classes of California must experience yet harder times, must descend to still lower depths. There are no Chinamen to speak of in New York, yet you may see there sights of squalid misery which are yet, thank God, unknown here. There are no Chinamen in Pennsylvania, yet there in the coal fields are men reduced to a state of serfdom to which Southern slavery was an easy lot. There are no Chinamen in England, but there in the richest country in the world one-twentieth of the population are paupers. And if our working classes must be ground down to a bare living—if they must be condemned to the squalid poverty that degrades and embrates—it seems to me a small matter whether they shall be Caucasians or Mongolians; nay, I think that the aggregate suffering will be less if they are Chinamen than if they are of our own race.

And not only does the Chinese question sink into insignificance as compared with the land question, but it is the existence of the larger evil that prevents us from dealing with the smaller one. There is something, to my mind, extremely humiliating in the position of California on the Chinese question. When a hundred years ago the people of the little Atlantic colonies determined that they did not want taxed tea, they did not take taxed tea. Yet here is this great State—a State fully as able to protect herself as were the people of those colonies—a State that has but to speak with determination to be listened to with respect, that year after year, like a suppliant beggar, memorializes and petitions a power three thousand miles away to protect what she declares to be her most vital and sacred interests. What is the cause of this contemptible spectacle? Have the virtues of the blood run out? Do the winds of the Pacific wither the sturdy self-reliance that a hundred years ago animated the Puritan and made the Quaker adamant? I do not believe it. The reason is that we are not united. The common people, the lower-class whites—the laborers, the mechanics, the vulgar shopkeepers, do indeed wish to stop this influx—but our aristocracy, great lords of our soil—the men who by fraud, bribery, perjury, and chicanery have obtained legal title to broad domains—do not want to stop it. These great land grabbers understand instinctively what the masses do not—they understand the relation between low-priced labor and high-priced land; they want cheap labor, and they are the men who have really ruled this State—the men who have packed its Conventions, debauched its politics, corrupted its courts and bought its legislatures. See these men, swollen with the pride of their undisputed ownership of common property, testifying before the Congressional Commission that the Chinese are the very people that the State needs; getting up in public meetings and talking about sending over their vaqueros to lariat citizens from the polls; proclaiming to the East that railroads could not have been built but for the Chinese, when the truth is that but for them and such as they this State would have had three miles of railroad where it now has one!

Ladies and gentlemen, it is not only more important to abolish land monopoly than to get rid of the Chinese; but to abolish land monopoly will be to make short work of the Chinese question. Clear out the land grabber and the Chinaman must go. Root the white race in the soil, and all the millions of Asia cannot dispossess it.

The Conflict between Labor and Capital

But I am attempting to trace the cause of low wages, without saying anything of the conflict between labor and capital—a phrase in everybody's mouth. Ladies and gentlemen, there is no conflict between labor and capital—and that there is popularly supposed to be arises from a want of exactness in the use of words.

We commonly speak of all rich men as capitalists, because their possessions enable them to command capital. We might as well call them laborers, because they can command labor. But if you consider a moment, you will see that these great fortunes, to a large extent in every case, and in many cases entirely, spring from the ownership of real estate, and are for the most part made up of real-estate values, of bonds and mortgages, none of which are capital at all, and, in the scientific use of the term, not even wealth. There is, of course, between the individual laborer and the individual capitalist the diversity of interests that always exists between the two parties to a transaction; but that, speaking generally, the interests of labor and capital are harmonious, not antagonistic, is proved by the fact that here in California, just as wages have fallen, interest has fallen. If you compare other countries, you will find the same thing—that high wages and high interest, low wages and low interest, always go together. Wherever there is a brisk demand for labor there is a brisk demand for capital; wherever labor is unemployed you will find capital idly lying in the vaults of the bank. How can it be otherwise? Capital—real capital—is but stored up labor, and its reward must bear the same relation to that of labor that the price of flour bears to that of wheat. If capitalists did but know it, the greatest friends to capital are the men who are striving to raise wages; the greatest enemies of capital are those who, for their own immediate gain, are scheming to force wages down.

Labor and capital represent the human element in production; their common enemy is the monopolist of the land, who reaps where he has not sown—who demands out of their earnings a toil, not for anything he has furnished, but for what the Creator has furnished. It is to the interests of capital, as well as labor, that land monopoly should be abolished.

The Great Cause

Do not think that in thus tracing to the monopoly of land the great cause of inequality in the distribution of wealth, I give too great importance to one idea. All history shows that the fact which ultimately determines the social, the political, and consequently the intellectual and moral condition of a people, is the tenure of land. And if you consider a moment, you will see that this must be so; for as land is the source of all wealth, to own the land is to possess all the wealth that can be produced, save so much as may be necessary to keep alive the laborers who produce it. To absolutely own all the surface of this globe would be to absolutely own the whole human race. Look around this hall. All that you see is the product of land—aye, even that with which you see. Truly, the earth is our mother. This very flesh and blood is but borrowed from the soil. Take away from man all that belongs to land, and he is but a disembodied spirit.

Let me be understood. I do not tell you that to abolish land monopoly is the only reform that is needed; but that it is the most important. You cannot destroy political corruption, you cannot extirpate crime or root out intemperance, or prevent destitution, until you in some manner stop the tendency of wealth to concentrate in a few hands. Until this is done money must rule in politics, and no matter what be the forms, all power must gradually steal into the hands that hold all wealth. Until this is done, charity will create paupers faster than it alleviates want. Until this is done; you may erect temples to the living God, but men will worship the Golden Calf.

Personal independence is the root of all virtues. To rob the producer of his earnings—to condemn him to low wages and precarious employment; is ultimately to rob him of self-respect, of industry, of prudence, of temperance, of intelligence, and patriotism. It is to change the foundations of the State into quicksand; it is to convert powers which might bless and strengthen society into forces which but wait for the spark to rend and destroy!

Am I stating anything more than the truth which all may see when I say, that to maintain republican government worthy of the name we must not only prevent wages from falling to a dollar a day, but we must raise them much higher than they are now!

I know there are those who attribute all the ills of the working classes to their extravagance and improvidence—to the fact that they spend too much on whiskey, that they have too many children, and sometimes buy their wives new dresses, or take them to the theater, when they might put the money in a bank. This talk generally comes from people who waste each day more than the average mechanic can earn in a week. But it is not of the heartlessness so much as the ignorance of these ideas of which I wish to speak. People talk glibly of problems of which they have never studied even the rudiments. Now, prudence, economy, and temperance are no doubt admirable virtues, but the fact is, that these qualities appear as wages increase, and disappear as wages go down. And the second fact is, that where competition fixes wages, the less the working classes will consent to live on, the less they will have to live on. When man becomes a commodity, his value, like that of all other commodities, is governed by the cost of production. One individual may increase his wages by working overtime, or may get ahead by practicing a rigid economy; but if the

working classes generally were to increase their working hours they would not under the present state of things increase their wages; while if they were generally to reduce their expenses one-half, their wages would soon fall one-half. I am not stating anything new, but a fundamental law of political economy, which you will find worked out by the great writers upon that science. This is why the economists insist so strongly on keeping up “the standard of comfort”—that is, the habitual rate of living; and this is why anyone who has really studied these problems, sees in the fact that men are now working for a dollar a day in California, something more menacing to the State than the appearance of the cholera or the black death.

What I tell you is, that the great cause which here, as everywhere, is reducing wages and piling up great fortunes; which is giving to a few more than is good for them to have, and robbing the many of what they earn; is land monopoly, which substitutes for the natural standard of wages, the fair earnings of labor, a standard fixed by the competition of men who must take what they get or starve. There may be other ways of to some extent counteracting and mitigating these evils, but the simplest, the easiest way, is to abolish their cause. To divide up the possession of the rich among the poor would be of no permanent benefit, so long as the causes which tend with irresistible force to make some rich and others poor are left to operate. In a little while the same inequality of conditions would again exist. To effect anything permanent, we must destroy these causes, and the chief among them is land monopoly.

Let Us Reassert First Principles

But we cannot abolish monopoly by half measures. No such timid little proposition as that recently voted down by the Senate, to restrict devises of land to 640 acres, is worth considering. To cure an evil such as this, there is no use in attempting to restrict; we must destroy. We will waste our strength by hewing away at the twigs; our blows, to be effective, must be dealt at the root. The only way we can break up land monopoly; the only way we can secure to labor its just rights and fair earnings; the only way we can prevent pauperism and give our children a fair start and an equal chance—yes, the only way in which we can continue republican government that shall be anything more than a name—is to come back to first principles, and reassert the natural right of the people of California to the land of California; to reapply to the land and the water, in even more positive form, the equitable doctrine that in the early days we applied to the mines: the doctrine that no man shall be permitted to play the dog in the manger with the bounty of the Creator, the doctrine that no one can hold more than he can reasonably use, and for no longer time than he does use it!

Ladies and gentlemen, this is called agrarianism. Do not be frightened at the word. Rightly understood, it is a good word, an honorable word, though ever since the land-grabbing nobles of Rome struck down that true tribune of the people it has been used as a term of reproach! Agrarianism, in its true sense, does not mean tearing down; it means building up! It does not mean warfare against society; it means the purifying and ennobling of society. Agrarianism is the true conservatism. It is the only thing that can save this Republic, as it was the only thing that could have saved the Roman Republic.

Pay no heed to names. Consider this thing in the light of common sense. Can anything be more preposterous than that a man should be permitted to hold land which he don't use and compel others who want to use it to pay a price for the privilege? Can anything be more absurd than that the farmers in Sonoma or Tulare should be compelled to pay half their earnings to some nonproducer in San Francisco, or in Europe, under the pretence that the land is his? Can anything be more absurd than if I, who have no house, want to build myself one out here on land that has never been put to use by human beings since the creation of the world, I must first pay someone two or three thousand dollars? Pay him for what? For the land! Why should I be compelled to pay him for land he is not using? Has he any more right to it than I have? Did God Almighty make that land for him any more than for me? Why, with as much justice I might be asked to pay him for the light of the sun or for the air from heaven!

And to this pitch we have almost come. “Men of Rome,” said Tiberius Gracchus—“men of Rome, you are called the lords of the world, yet you have no right to a square foot of soil. The wild beasts have their dens, but the soldiers of Italy have only water and air!” Men of California, you have not as much. Even the water is monopolized. Here is a man who asks us to pay him two million of dollars for the privilege of drinking a little stream in this county, that is now as it has been for thousands of years, running away into the Pacific. And there are others who propose to sell us the lakes and rivulets of the Coast Range, the melting snows of the Sierras—aye, the very rains as they descend from heaven. Why, the beasts, could they understand it, would laugh at us. How do you suppose the seals on the Cliff House rocks would entertain a proposition from old Ben Butler to sell them the right to swim in the sea!

Land Monopoly as Unnecessary as It Is Unjust

But it is useless to continue in this strain. No one capable of logical thought—or at least one who thinks his audience capable of logical thought—will attempt to defend the essential justice of private property in land. But you will hear much of the necessity of recognizing private property in land in order to render cultivation and improvement possible, and will be told that to virtually abolish it would be to revert to the barbarism or wandering tribes. Do not be frightened by such bugbears! If you and I owned a ship between us it is not necessary to the recognition of the equality of our rights that we should saw her in two. Nor yet that one of us should sail one end and the other the other end; one dropping anchor while the other makes sail. All sorts of things, from a wheelbarrow up to a railway, are owned in common, without the recognition of common rights interfering with their proper use. So with land. There is a lot on the corner of Fifth and Market Streets. in this city, to which the common right of the people of San Francisco is yet legally recognized. That lot is not cut up into infinitesimal particles, nor yet is it unused. The buildings upon it, the property of private individuals, stand there in perfect security. The only difference between it and adjoining property is that the rent of the land goes into the Common School Fund instead of private pockets, and whatever increase there is in its value accrues to the benefit of the whole people of San Francisco instead of building up private fortunes.

Would it be any reversion to barbarism if all the immensely valuable land of this peninsula or in this State were held in the same way—its ownership vesting in the whole people and its value accruing to the benefit of the whole people? It is a confusion of thought to suppose that land must be made the absolute property of individuals in order to be improved. It is not the private ownership of land but the security of improvements that is necessary to the proper use of land. But our laws, servilely copied as they are from the selfish enactments of a landed aristocracy in a barbarous age, prevent improvements and rob the improver under pretense of respecting the rights of property. No one will improve land where it is suspected that the title is defective, for he runs the risk not merely of losing the land but of losing his improvements as well.

You may have paid a high price for land, and have held it in undisputed possession for years, made it fruitful by your toil or erected upon it a costly building which is an ornament to the city or a modest home in which you hope to pass your declining days—and yet, if a cunning lawyer can mouse out a technical flaw in your parchment, not merely the lands but all your improvements may be taken away from you. How often have the homestead owners of this city been obliged to buy their own homes from some blackmailer who threatened them through the Courts?

The injustice, the cruelty, the worse than highway robbery, that have been perpetrated in this State under this plea of maintaining the sacredness of property in land cannot be told. Settler after settler has been evicted from his home while the proceeds of his long toil have been divided between conscienceless lawyers and thieving land grabbers. Why, even now the men who in good faith have settled upon and improved the lands claimed by the railroad company, are being compelled by those remorseless vampires to pay for their own improvements. What kind of law is it that permits, nay assists, in such robbery as this?

The Cure

All this injustice can be ended—all possibility of this kind of robbery can be taken away, and certainty substituted for uncertainty, by applying to the land the same principle that in the early days we applied to the mines, and making use of the land the only valid title to its possession. Nor yet to fully end the evils of land monopoly is any violent change necessary. The forms of landownership may be left just as they are; nor need there be any restriction in the amount of land which an individual can hold. All that is necessary are a few simple changes, which will make both our legal and financial systems less complex and unjust. Let me recapitulate them as they occur to me:

First: To make the peaceable, bona fide use of land for one year conclusive evidence of ownership, and to require compensation for improvements made in good faith as a prior condition to the dispossession of any occupier of land.

Second: To abolish all taxes for revenue except the tax upon the value of land, irrespective of improvements, and to exempt even from this tax \$1,000, or more, to each individual.

Third: To provide a summary process by which land not in use can be condemned to the use of any citizen who wishes to make personal use of it, upon payment to the owner of its assessed value.

These provisions are very simple, yet they would destroy land monopoly, root and branch. They would at once free the land of California, in country and in city, from the grasp of the dogs in the manger who will neither use it

themselves nor allow anyone else to use it; they would place a homestead within the reach of everyone who wanted a homestead; and [?] the business of blackmailing and forestalling settlers, and give absolute security to the men who add to the wealth of the State by building or cultivating. They would relieve the labor market by opening the land to labor, give employment to every idle man, send wages and profits up in every branch of industry and trade, and utilize for the benefit of the whole community the land values that are the creation of the whole community, but which now go only to the enrichment of the few.

And while doing this, they would soon end the Chinese trouble; they will clear our courts of nine-tenths of the land cases that now choke them, and give them time for the administration of the justice that is now so often sought in vain; they will strip our revenue system of the vexations, the injustice, and the corruption that now beset it, and will give us the only possible base for a free and pure democratic republic, in a population of homestead owners, free and independent in fact as in name.

The Practical Effect

Consider, for a moment, these provisions in detail:

The first would give to everyone who builds a house or plants a vineyard absolute security that he or his shall enjoy it; it will loose the clutch of Stanford & Co. upon the throats of settlers upon railroad lands; it will stop the business of stretching Spanish grants or plastering scrip over the homes of settlers. It will prevent blackmail suits, save the immense sums now spent in litigation, and relieve our clerks of nine-tenths of the land cases that now choke them. See how enormously this simple provision would add to the growth of the State in wealth and population, even if it stood alone. The insecurity of land titles, the robbery of settlers, has kept California back more than all the floods, and droughts and fires.

Yet the second proposition is by far the most important. I ask you to ponder over it, for experience has taught me that there are few who can at once realize how far-reaching it is. But if you think of it, you will see that to exempt personal property and improvements, and to place all direct taxation upon the value of lands irrespective of improvements would be to shift the burden from the producers of wealth to the mere appropriators.

In the city it would take the taxation off of stores, factories, workshops, hotels, and homes: it would increase it upon vacant lots. It would force the owners of tumbledown shanties which now disgrace our principal streets to pay as much as the owners of the fine buildings that adjoin them. It would compel the owner of the hundred vara sandlot to contribute as much in taxes as the score of small homesteads around him. It would thus force these dogs in the manger either to improve or sell.

See how it would work in the country: Here—you may take any county in the State for illustration—is a farmer who goes upon a piece of land. He puts in a crop, he plants an orchard and vineyard, he builds a house and barn, and settles down to raise a family. Now, in doing these things, he is not only doing something for himself, but benefiting the neighborhood, the county, the State. Yet under our present system of taxation, the more he thus adds to the common wealth, the more he is fined. He is taxed on his crops and his fences, his fruit trees, and his vines, his house and his barn, his cattle and tools and furniture, his pigs and his chickens.

Alongside of him is a piece of land, of equal capacity, which belongs to some large ranch owner, perhaps to a resident of San Francisco or Europe, who, having made no improvements, pays taxes on only the bare value of the land, and probably on this at a much less rate than the farmer. Thus, the bulk of taxation is put on the men who are really building up the State—the men who are erecting homes, the men whose labor produces all values. But if the taxation on personal property and improvements is abolished, the man who owns land without improving it will be compelled to pay as much as the man who builds up a home on his land. Is not that just? He has the same opportunity. And if he doesn't like to pay as much taxes as the men around him who are improving their land, he is at perfect liberty to sell out to those who will improve it.

Now, merely to thus abolish taxation on personal property and improvements would be to make big ranches unprofitable, and to shift taxation from the productive to the nonproductive classes. But when you come to make an exemption to each individual you strongly increase this tendency, for you make the same amount of property in many hands more profitable than in one man's hands. Thus, if the exemption was \$1,600, 80,000 acres worth \$20 per acre would in the hands of 1,000 farmers pay nothing, but in the hands of one man would have to pay on \$1,600,000, less \$1,600. You will see from this what soft of farmers will be hurt by carrying out the proposition. It would be such poor farmers as Billy Carr and Haggin & Tevis, and Lux & Miller, the horny-handed sons of toil who keep liveried carriages and smoke four-bit cigars.

The third provision would insure the effectiveness of the second, by preventing any tampering with assessors. We

permit land to be condemned for railroad purposes; why not permit it to be condemned for farming and building purposes? Are not farms and homes as necessary as railroads? By providing a summary process by which land not in use can be condemned to the use of any citizen who wants to use it, upon payment to the owner of its assessed value, you would compel the keeping up of assessments upon unused land, and put the finishing blow to land monopoly.

Of Some Objections

Do not be afraid that the land being thus divided, as it soon would be, and the producing classes thus relieved of taxation, that there would be nothing to tax. Do you not see that these very provisions by adding enormously to the wealth of the State add enormously to land values? Do you not see what immense land values have been created in San Francisco, where land that will grow nothing but fleas is worth hundreds of thousands of dollars per acre? And do you not see that these enormous values are created not by what the owners of these lots have done, but by what the people of the whole State are doing, and that to draw on them for purposes of taxation would be simply to take for public purposes the tax which is now paid by producers and to nonproducers.

Do not be deluded by the idea that thus to tax the value of land would be to increase that cost of the products of land. The slightest consideration will show you, what every standard treatise on political economy will tell you, that you may take in taxation the whole annual value of land without adding to the cost of products or increasing rents. And this is the reason why the simple propositions which I make would strike overgrown fortunes, as the phrase goes: "where they live." For the tax on capital does not affect the capitalist. It is simply rolled over on the consumer, and if it is more than the consumer will pay the capital will be removed. But the tax on land values, from which the greater part of these fortunes spring, cannot be thus escaped—the higher you tax land values the more anxious will be the owners who are not themselves using the land to sell or rent for whatever they can get. They cannot take the land and ship it off to Europe; here it was long before they were born, and here it will be long after they are gone.

I will not weary you by attempting to fully elaborate these ideas. I can only give you hints for thought, but if you will work them out for yourselves, you will see that these simple provisions really strike at the root of unequal division of wealth; that by throwing open the land to labor, and assuring to labor its full earnings, they would give employment to every idle man, send wages up in every vocation, and make vigorous and profitable every branch of trade. What makes trade dull is simply that labor is unemployed. Why, we could better afford a Chicago fire every year than this enforced idleness. Some estimates put the number of unemployed men in San Francisco this winter at 40,000. Let us be on the safe side, and say but 20,000 for the whole State. Now, the average addition to the general wealth by the average day's work cannot be less than \$10. To set these men to work would therefore be to add sixty millions a year to the wealth production of the State. With such an addition as this flowing through all branches of trade and industry, would you hear any more of hard times?

Ladies and gentlemen, I tell you there is no necessity for hard times. They are of our own making. There is no reason for all this want and suffering, all this care and worrying and stinting—no reason why the mechanic of the city should think himself lucky to make a bare living, or the working farmer should be unable to give his family all the luxuries which elevate and refine. The powers of production are great enough to give the poorest of us as much as any human being need wish to have. The fault is in the distribution.

Is It Confiscation?

But it will be said in the remedies I propose for the faults of distribution, I am proposing confiscation. Is it confiscation for the people to resume their own? Is it confiscation to secure to labor its honest earnings? Nay; the confiscation is in the present system. Every day that it exists it confiscates the rights of the many the benefit of the few. Is there not confiscation when the men whose labor is the fund from which all wealth is drawn get of what they produce but a bare living, while "dogs in the manger;" who consume without producing, rival the luxury of European aristocracies?

Take them as a class, and upon what do the titles of the landlords of California rest, that we should respect them when they conflict with natural rights? Upon perjury and fraud, and bribery and greed! They who in the darkness of rude ages parceled out the land of Europe between them, and reduced the masses to serfdom from which they have not yet fully escaped, did it with the strong arm. Their titles were those of the robber, but the titles to our great estates are those of the sneak thief. By manufacturing testimony to support Spanish grants, and bribing surveyors to stretch them, and commissioners to confirm them; by corrupting legislators and congressmen; by locating warrants, only

valid through false oaths; by swearing that land requiring irrigation is swampland, and land that needs draining is desert land; by the hiring of bullies armed with shotguns, and invoking by legal chicanery the majesty of the law to drive settlers from their homes; by the cunning of tricky lawyers and the arts of lobbyists—these great estates of California have been created.

Why, look, the land of this peninsula was once legally, as it is equitable, the property of the people of San Francisco: set apart by Spanish grant, confirmed by our highest tribunal, to furnish free homesteads, to each head of a family one lot and no more. What a city we might have had, had that grant been respected. But by steps which it is unnecessary to recount, this patrimony of the whole people has been carved into fortunes for the few. All that is left are a few school lots, a few little squares, and a park so located as to keep out the poor, and in which white men are working for a dollar a day! And shall we be told that it is confiscation for the people to resume their rights?

Let Justice Be Done

But it will be said, there are innocent purchasers: it will be injustice to them. Gentlemen, the measures which I propose will benefit every actual farmer, every small homestead owner; their taxes will be decreased, while their earnings will be largely increased. They will benefit storekeepers, manufacturers, merchants—all who live by their labor, whether of hand or head. Those who will lose are those who reap where labor sows, those who are keeping valuable land from improvement in order to extort higher prices.

And what is the injustice of making a few rich people once for all less rich, as compared with the injustice of the present state of things? Is there not injustice where mere appropriators roll in wealth, while producers lack the necessaries of life? Is there not injustice when men willing to work cannot get a chance? What can be more unjust than the way wealth is now distributed? What can be more unjust than this contrast of luxury and want? Will you talk about injustice when men are working in mud and rain for a dollar a day; when women must choose between want and worse; when children are growing up under conditions that condemn them to lives of ignorance and vice?

It is something grander than benevolence, something more august than charity; it is justice herself that demands that we do this thing—the justice that will not be denied, that cannot be put off; the justice that with the scales carries the sword!

Ladies and gentlemen, did it ever strike you that for the misery and vice that festers amid our civilization, we and not the Almighty are responsible? Did you ever think of the blasphemy worse than atheism involved in attributing to the inscrutable decrees of Providence the suffering and brutishness that comes of poverty? Yet it is so. The Creator showers upon us His gifts. There is more than enough for all. But like swine scrambling for food, we tread them in the mire.

Look around, and you may see want and suffering enough to make you sick at heart. Dare you turn to the Creator and ask Him to relieve it. Supposing the prayer was granted, and at the behest that fixed the laws of Nature there should be new vivifying power in the sun, new virtue in the air, fresh vigor in the soil; that for every blade of grass that now grows two should spring up, and the seed that now increases fifty fold should increase a hundred fold! Do you suppose that poverty would be abated and want relieved? Not at all. The classes that monopolize the bounty of the Creator would monopolize all the new bounty. Landowners would alone be benefited. Rents would increase; but wages would not increase a particle.

The Coming Struggle

Do you imagine that the gifts of the Creator can thus be misappropriated with impunity? Do you think it a light thing that labor should be robbed of its earnings while greed rolls in wealth—that the many should want, while the few are surfeited? Turn to history, and you may read on every page the lesson that wrong never goes unpunished; that the Nemesis that follows injustice never falters nor sleeps!

Do you suppose we can escape the immutable law? Look around you today. Do you think this state of things can continue? Do you say: “After us, the deluge?” Nay, the pillars of the State are trembling even now; the very foundations of society are quivering with the pent-up forces that glow underneath. The struggle that must either revivify or convulse is already begun.

The fiat has gone forth! With steam and electricity new forces have entered the world that will either elevate us to a higher plane, or overwhelm us, as nation after nation, civilization after civilization, has been overwhelmed before.

Here in this Republic is the arena where this greatest of issues must be determined, and here in this State, where

new and old are so strangely blended, is the field where, if I mistake not, the battle will first be joined.

Only a little while ago nations were bought and sold, traded off by treaty and bequeathed by will. Where now is the right divine of kings? Only a little while ago, and human flesh and blood were legal property. Where now are the vested rights of chattel slavery?

And shall this wrong that involves monarchy and involves slavery—this injustice from which both spring—long continue? Shall the flowers forever blow the back of a class condemned to toil? Shall the millstones of greed forever grind the faces of the poor?

Ladies and gentlemen, it is not in the order of the universe! As one who for years has watched and waited, I tell you the glow of dawn is in the sky. Whether it come with the carol of larks or the roll of war drums, it is coming—it will come!

The standard that I have tried to raise tonight may be torn by prejudice and blackened by calumny; it may now move forward, and again be forced back. But once loosed, it can never again be furled!

Paul planted and Appolos watered, but God gives the increase. The ground is plowed; the seed is set; the good tree will grow!

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