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# Free America

by Bolton Hall



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## THE PURPOSE OF THIS BOOK

This book is not an appeal merely to thoughtful people. The great majority of men do not think. It is not intended for "scientific economists." There are no scientific economists. It does not urge serious study of the great problems for which a solution is given. The average man never seriously studies any question. It is not an address to the sympathetic and unselfish. People as a rule are selfish, and somewhat indifferent to the condition of their fellowmen. It is not a plea for justice, or for human rights now denied by our laws. Those abstractions have too little weight in the practical affairs of life. It does not present existing conditions as resulting from a conspiracy of the few against the many. The evils of the present social system are due solely to the ignorance of the many. It does not assume that mankind is divided into good people and rogues. There are two classes; but they are the clever people and the stupid.

This book aims to convince the stupid millions that injustice is never to their interest. It has no theory to prove, nor does it advocate any social reform hobby. It shows just why a great many must work hard, in order that one may live without working. It does not attack wealth or property. It shows that we ought to have far more property than we have now. It appeals to no lofty sentiment, but bases its arguments on the sure ground of plain, ordinary selfishness. It indulges in no rhetorical



fancies. It does not denounce existing institutions as monuments of wickedness. It points to them as marvels of stupidity. It does not say: "Do this and you will establish an ideal civilization," but: "Do this and you will become rich." In short, it recognizes the fact, admitted by all except dreamers, enthusiasts and impracticable idealists, that people have one aim in common, which is, to get wealth. It maintains that this aim is not a mean one, but the necessary foundation for progress, in education, the arts, sciences, and all else that distinguishes the man of culture and refinement from the primitive barbarian. It exalts the wise production and distribution of wealth as the chief social good.

This frank avowal of the practical purpose of this book will not please those who affect superiority to the rest of mankind. Neither will it find favor with those who consider an appeal to self-interest "immoral," or at least "low opportunism." But it is believed that Americans will welcome this attempt to set forth as simply as possible the causes which prevent them from enjoying the wealth to which their industry and skill entitle them.

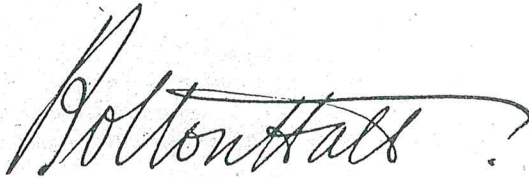
The man who dreams of attaining paradise by attempts to conform to an abstract moral law, will find little of interest in these pages. The practical man of common sense, who knows that riches are not to be had through dreams of righteousness, will find here much that will profit him in his affairs. If he will carry out the suggestions made in this book, he will certainly become more prosperous. If he ignores them he will continue to suffer from the evils of which he complains. But he will at least have the satisfaction of knowing that the ignorance of himself and his fellows is responsible for his condition. He can no longer blame the

decrees of Providence, or the heartlessness and greed of those who profit by his folly.

I do not mean that self-interest is the greatest motive to which men desirous of reform can appeal. On the contrary, every improvement in the condition of mankind has been promoted by the sympathy of the rich, or at least of the well-to-do, with their less fortunate fellow men suffering from the miseries due to involuntary poverty. It is to the pitying self-sacrifice of thousands of highminded men and women that we owe the sentiment in favor of radical reforms, which is manifest everywhere to-day.

Yet as the purpose of this book is to hasten the breaking down of the artificial barriers with which men in their ignorance have shut themselves out of opportunities for happiness, I use such arguments as appeal to the largest number.

With those who choose to work for the same end by appealing to righteousness and justice I have no quarrel. I shall be satisfied if this book leads even a few to believe that as a matter of expediency our social system should be thoroughly reformed on the general lines laid down in the following pages.

A handwritten signature in cursive script, reading "Bolton Hall". The signature is written in dark ink and is positioned above the address line.

33 East 61st St, New York.



## CHAPTER I.

### The Promise of the Century.

When the thirteen colonies along the Atlantic coast were organized into the United States of America, they gave brighter promise for the development of a great and prosperous nation than any country in the world, at any period in history. All the conditions were favorable for rapid growth in population, wealth and intelligence. The men who had fought against foreign oppression which restricted their prosperity, looked forward to a grander Commonwealth than the world had ever seen. Not only did they believe that their country would become greatest in numbers and wealth, but that the principles on which its government was founded would make it also the freest of nations. The despotism of nobility and thrones which ruled the people of Europe was left behind, and in free America all men were to have equal rights. There were to be no privileged classes subsisting on the unpaid labor of the masses, but each man was to enjoy the fruits of his own exertion. The laws were to be made by representatives of the people instead of by hereditary rulers, and were to be alike for rich and poor. Men were not to be divided into castes, as in the Old World, but were to prosper according to their character, ability and efforts, and the highest position was to be open to men of the humblest

rank. Here in a virgin continent was to be the fullest expression of perfected humanity, with literature, art and science crowning the structure of material greatness.

Nor were these expectations merely the fond hopes of theorists who fancied that a change in the form of government alone would create an ideal society. They were based on the facts of all human experiences, from which alone predictions for the future could be made. The fathers of the Republic knew that the scattered colonists had prospered and grown strong because their condition was freer than in the countries of their birth. They knew that the poverty and degradation of Europe was due to the tyranny of kings and nobles and privileged classes. They knew that the great nations of the past had fallen because they were founded on inequality among men. They knew that only in a government proceeding directly from the people could be found a safeguard for popular rights. And having, as they believed, provided against all the bad institutions of other countries, they were confident that they had assured to their posterity the blessings of liberty and equality.

Equally well founded were their expectations of material prosperity. Although but partly explored, the new republic was known to possess the natural resources necessary for carrying on every branch of industry. With immense areas of fertile soil, extending from the rich cotton and rice bottoms of the South to the wheat and grazing prairies of the North; with vast forests of the finest timber; inexhaustible deposits of coal, iron, copper and other minerals; and with great rivers and lakes forming natural waterways for transportation, it was evident

that there was every requisite for the support of unlimited numbers of people. With a temperate and healthful climate which made exertion agreeable, there was no obstacle to the development of the whole area controlled by the federated states.

Not less important than natural resources as a factor in the future of the country, was the character of the four millions of people already within its borders. Mainly of Anglo-Saxon stock, they were either the more adventurous spirits of the Old World, or their descendants. Strong, hardy, and energetic, they had battled with wild beasts, with savages, and with the primeval wilderness, and had come out victorious. Their first successes encouraged them to greater efforts, and each year saw the outposts of the pioneer pushed further and further. In the new settlements sprang up the public school and the newspaper, evidences of the popular desire for knowledge as well as for wealth. Education kept pace with each step in material progress.

With such a country, and such a people, there was abundant reason for the general confidence that the United States would at no distant period be the wonder of the world.

These expectations of material prosperity have been realized. The thirteen states have grown to forty-five, embracing the territory from the Atlantic to the Pacific and from the Great Lakes to the Gulf of Mexico. Our population has increased from four millions to seventy-six millions. The total wealth in 1900 is given by the U. S. Bureau of Statistics as ninety-four billion dollars (\$94,300,000,000); in reality it is very much greater. There were 5,737,237 farms, in 1900, valued, with improvements, machinery and live stock, at twenty billion dollars. The total value of farm products was \$3,742,000,-



000. This is the census estimate, and is far too low.

In everything necessary for the most efficient production and distribution of wealth, the United States is easily first of nations. The total horsepower of the steam and other machinery used in manufacturing and transportation is three times as large as that of any other country. The 512,276 manufacturing establishments, with a capital of over \$9,800,000,000, produced goods valued at \$8,370,000,000, (net). The product of fisheries was probably \$50,000,000. The product of mineral industries was over \$1,200,000,000. The railroad mileage has grown from nothing one hundred years ago, to more than two hundred thousand (202,417) miles, equal to sixty-six lines across the continent, carrying annually 650,000,000 passengers and 1,200,000,000 tons of freight.\*

All other departments of trade and industry have shown equally remarkable growth, the general use of improved machinery making the output of wealth far greater per capita than at any time in history.

Similar examples of development, though to a much lesser extent than in the United States, might be shown in Australia, New Zealand and in the Argentine Republic, which have rapidly increased in population and wealth during the past fifty years, and are becoming great commonwealths. Those countries and this country have prospered just in proportion as there were free opportunities for increasing numbers of people to work for themselves. They have prospered be-

\*For an analysis of the census figures of production, see appendix

The statistics used throughout this book are for the "continental" United States only, including Alaska, but excluding our island possessions. The figures for 1900 are therefore comparable with those of previous censuses.

cause the people have not been burdened with a privileged aristocracy, state established churches or "divinely-appointed" rulers. But chiefly they have prospered because of immense areas of fertile soil which were open to all who would settle on them.

It is no wonder that so many of the workers of Europe, restricted by tyrannical laws, degraded by class oppression, forced to sell their labor at the lowest wages that will sustain life, are justly described as "pauper labor." Yet when these paupers are transplanted to freer conditions they quickly develop into intelligent, independent, self-respecting men and women. There is no magic in soil or climate. The difference is in the change from the strangling influence of restrictive laws to the natural opportunity for growth. The proposition that greater freedom means greater prosperity, and therefore greater intelligence and higher civilization cannot be disputed. We know it is so, because we have seen it for ourselves.

### CHAPTER III.

#### Over-Production

Nine out of ten of the professors of political economy and other "orthodox" writers on the causes of hard times, when asked why mills and factories are closed and willing workers idle, reply "over production." Pressed for a further explanation they say: "The great increase in productive power of our manufacturing industries has enabled the people to make far more things of all kinds than they can use. Thus the shoe factories of the country can in six months make all the shoes used in a year. So also with our iron furnaces and steel works, our woolen mills, cotton factories and clothing shops. The invention of improved machinery has so greatly increased the output of the workers that they produce far more goods than can find a market. Yes, it is 'over-production' that is to blame for the business depressions which cause so much loss to employers and wage earners."

Do not blame the professors; they have to hold down their jobs; and many of them believe what they say.

President Roosevelt has expressed this popular theory in these words: "Single tax won't do any good; socialism won't do any good; none of these things will do any good so long as our factories produce more goods than the people can buy. There are bound to be idle mills and factories, and idle



workers, whenever there's a general over-production such as we've been having lately."

By himself, Mr. Roosevelt is regarded as a statesman.

If you have been taken in by this parrot phrase of "over-production," just stop and think what it means. Is it a fact that the people now produce more things of all kinds than they can use? Have the seventy-six million Americans all the good shoes and clothes they could wear? Have they all the wholesome food they could eat? Have they all the furniture they need? Have they all got as good houses as they would like to live in? Has even each family a house? Have they all the books, paintings and other things which make up the enjoyment of civilized life? The only answer to all these questions is an emphatic No! What nonsense, then, to talk of "over-production" so long as millions of people not only want more of all kinds of things made by labor, but are actually suffering for lack of them.

With millions of men and women shivering for lack of comfortable clothing, how can there be an "over-production" of clothes? With millions living on a scanty diet of coarse food, how can there be an "over-production" of farm products? With millions living in small and dingy shacks, or cramped into ill-lighted tenements, who can say that there is an "over-production" of houses? So with all the other things of which it is said we have too much. In every case there is positive need of far more of all kinds of wealth than can at present be produced.

Professor Richard T. Ely, of Wisconsin University, says: "Yet the statement that the cause of hard times is prosperity, paradoxical as it seems, has a large element of truth in it, and suggests one line of

fruitful thought."

To which E. M. Burchard replies: "What a contemptible juggling with words is this, 'prosperity the cause of hard times.' And yet there is a sense in which it is true, although the professor forbears the illustration. When robbery is done, the prosperity of the robbers is undoubtedly the cause of the hard times of the victims. One of the finest examples of hard times caused by prosperity is the case of the man who went down from Jerusalem to Jericho and fell among thieves. The thieves upon this occasion had a very prosperous time of it; the hard times fell to the lot of the traveler.

"Never before in the history of the race was so much of all earthly good within easy reach of humanity. Times are hard when there is a scarcity of the good things of life; but we are troubled with a superabundance.

"If times were hard they would be hard for all alike. It is not the possession of immense crops that causes the poverty of the husbandman, his 'hard times,' but the fact that he is forced to part from them without just recompense for his toil—this is the 'hardness,' and it has nothing to do with the times, while it has everything to do with our political economy."

No, it is not because the people can make more things than they can use that we have hard times. It is because they make more things than they can buy. It is because our present system skins the people of so much of their products that they cannot buy back the goods they produce. It is because of under-consumption that mills and factories get overstocked every few years and have to shut down, throwing their employees out of work. Crowds are kept idle, so that they cannot buy the things they

need, and there is an apparent over-supply.

If every man and woman had a fair chance to work and to retain the full fruits of their labor, they would always be able to buy as much goods as they produced, and there could never be seen the strange contradiction of millions suffering for lack of things which other millions were willing and anxious to make for them.

We may not agree as to the best way out of the quagmire in which society finds itself to-day. But in any case, don't ever again allow yourself to be humbugged by the foolish talk of "overproduction." There's no such thing in the world—unfortunately.

In one respect only this is hardly true. There is an "over-production" of laws. State and National legislatures have been busy for fifty years grinding out class legislation, until we have now far more foolish laws of all kinds than the people can find use for. We have also an over-production of thieves, millionaires, paupers, parasites, tramps and plutocrats.

Taking it for granted that you do not believe that our business and industrial troubles are due to too much wealth, there remains the question whether we can produce enough for our needs. This is a very important point, because the same class of writers and teachers who preach "over-production," contradict themselves by saying that the people are poor because they produce too little. And the advice given by such friends of labor as George Gunton and Edward Atkinson, is that the producers should work harder or more intelligently so as to create a larger amount of wealth.

Men get everything they need from the land. Think of any article that you use—shoes, fuel,



food, a bed or shelter. All these things come from Mother Earth, and her products—from the Earth, which was the only thing the first settlers found in America when they landed here, few, weak, unskilled, and began to get great and wealthy and strong.

Those who are now "out of work" are neither few nor weak nor unskilled. Unemployed men can be found in plenty who can do every kind of work known to men. They lack clothing and fuel and shelter, only because they can nowhere get the natural materials to produce what they lack. Someone owns all the land, to which they could get, and demands a fee or a rent or a royalty before he will let others make goods out of it.

"Oh, well," answers the Plutocrat, "there is plenty of land to be had cheap enough in Arizona or Tennessee or somewhere else that I can't exactly name, but I know they would be glad to give it to you for nothing. Look at the abandoned farms all over the country." But there is no free land that is good for anything. If there were, don't you know some speculator would take it up? If there were, do you think smart American men would "farm on shares" as they do now? That is, give a man who does nothing, a third or the half of the crop that they raise for the mere privilege of using a bit of land which he owns? No; as the Special Committee of the N. Y. Association for Improving the Condition of the Poor says: "The phrase, 'abandoned farms' means only abandoned to the mortgagee." (See their report upon Congestion of Population in Cities and Desertion of Agricultural Districts in New York State).

But if there were such cheap land, what good would it be to a man who cannot get at it? To a

laborer or a clerk with a family, such land might as well be in the Kingdom of Heaven. He cannot get there. If he could, however cheap it might be, he could not buy it. A pioneer once said: "I could have bought the whole site of Chicago for a pair of boots." "Why didn't you buy it?" said his astonished listener. "Because," he answered, "I didn't have the boots."

Why, if it is over-production that is the trouble, and these people did get to the land, as the Apostles-of-Things-as-They-Are tell us they ought to do, then there would be still more production. "Over-production" is like the theory of Malthus that men tend to increase faster than their food increases, a convenient lie to shift upon the Creator the responsibility for the sins of men.

As Henry D. Lloyd says: "Holding back the riches of earth, sea and sky from their fellows who famish and freeze in the dark, they declare to them that there is too much light and warmth and food. \* \* \* The majority of men have never been able to buy enough of anything; but this minority have too much of everything to sell."—(Wealth Against Commonwealth, Chap. I).

Of course, if hard times are caused by over-production, the remedy would plainly be for the producers to stop working and consume more. Instead of advocating this, the kind-hearted men who assume to do the thinking for the people advise them to work still harder and to practice economy. "Hustle and save" is the golden rule of the orthodox economists.

Leaving these gentlemen to settle among themselves their inconsistent doctrines, let us next look at the facts in reference to the production and ownership of wealth in the United States.

Some of the Difficulties They Have to Settle  
as to  
The Complicated Causes of Panics.

It is clear, to the conservative mind, that business depression is the result of many causes working together, and not, as some agitators claim, mainly to that rise in rents, which drains the resources of the great body of producers and causes the speculative advance in the price of land which stops production.

The following, gleaned from leading financial articles and authorities, agree so closely and commend themselves as so evidently true that we may certainly consider the problem solved:

Capital is idle because business is bad.—Wall Street Daily News.

Business is dull because capital is scarce.—St. Louis Republic.

The country needs capital.—Atlanta Constitution.

There is a glut of money in the market.—New York Times.

Extravagance in expenditure is at the root of the trouble.—Matthew Marshall.

The people are hoarding money.—Baltimore American.

The people at large are poor.—Baltimore Sun.

The people have ceased to buy, hence production has stopped. Over-production is the real cause of financial depression.—Prof. George Gunton.

Tariff tinkering stopped domestic manufactures.—New York Tribune.

The tariff should have been revised months ago.—New York World.

Panics are the inevitable result of the protective tariff system.—W. C. Whitney.

The threat of free trade has stopped importation.—New York Press.

A contracted currency is the cause.—Springfield Republican.



The gold standard has robbed the farmer of the price of his products.—The Populist.

The uncertainty about our standard of value has unsettled business.—National Bank Reporter.

The balance of trade is against us because we have been importing too much.—Philadelphia North American.

The English have been selling our securities.—Boston Journal.

The interest sent out of the country has sapped our prosperity.—St. Louis Globe-Democrat.

Every immigrant who comes to our shores is worth \$1500 to the country.—Andrew Carnegie, in "Triumphant Democracy."

Immigration has over-stocked the labor market.—New York Herald.

Railroad building and development of the resources of the country have come to a standstill.—Chicago Record.

Over-building of railroads and over-speculation are the real trouble.—New York Post.

Confidence is all that is lacking.—Real Estate Record and Guide.

Credits are too much extended.—Financial Chronicle.

Capital is locked up in undeveloped enterprises.—Boston Herald.

We have reached the climax of a long decline.—Philadelphia Record.

We are feeling the effects of over-trading in all branches.—New York Sun.

Labor-saving devices have caused a glut of manufactured goods.—The Manufacturer.

An army of middlemen who consume wealth, but produce nothing, prey upon the workers.—Farmers' Alliance.

The cutting of prices is the chief cause of commercial distress.—Dry Goods Bulletin.

What the country really needs is an issue of at least \$300,000,000 gold bonds.—Henry Clews.

The excessive profits demanded by the merchants and the banks have ruined the farmers.—National Economist.

The Chicago "Tribune" says the cause of hard times is "too many people in the city," while the Chicago "Inter-Ocean" tells us that "too many men till the soil."

Nothing cranky in these views.

## CHAPTER V.

### Who Gets the Wealth You Produce?

The prosperity of a nation is indicated by its material wealth. The more general the distribution of this wealth the greater the comfort, happiness and prosperity of each of us. We have seen that the workers get but a small share of the annual production of wealth. How is the permanent wealth in the United States distributed?

The total wealth of the nation in 1900 was estimated by the Bureau of Statistics at ninety-four billion, three hundred million dollars (\$94,300,000,000). Of this sum by far the greater portion is real estate values. Properly speaking, land is not wealth, but merely the opportunity for the creation of wealth. However, under present conditions it is wealth to the individual owner, and it is always estimated as wealth in statistical work. About 60 per cent. of the whole is made up of these real estate values (excluding mines, quarries, railroad rights of way and franchises in streets).

Land being the first and greatest necessity of man, the greatest prosperity, even under the present system of land-holding, would require a general distribution of this fundamental necessity. Let us see our actual condition. The data as to home ownership show on June 1st, 1900, about

16,187,715 families, or a total of that many homes, owned or rented. The census "home" often means rooms; there are only 14,430,145 dwellings.

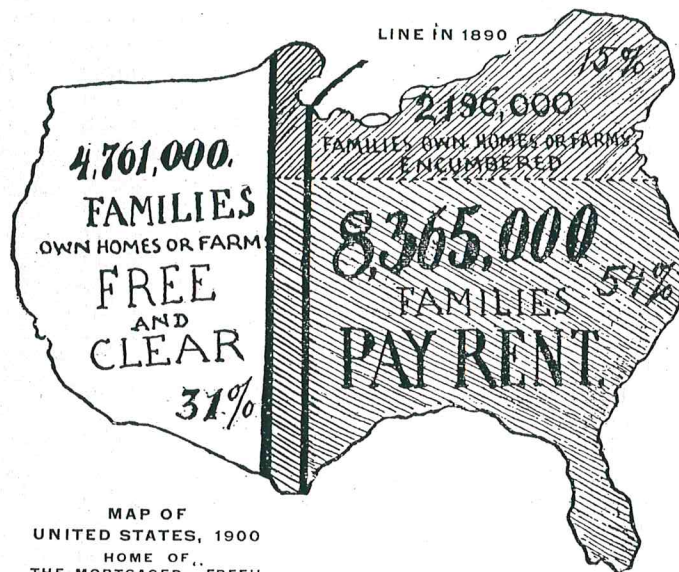
The number of families occupying homes owned free of incumbrance was

Owning and occupying mort-	4,761,211 or 31 %
gaged homes.....	2,196,375 or 15 %
Paying rent*.....	8,365,739 or 54 %

In ten years the ownership of homes has changed thus: Out of every hundred homes, 2 less are owned free and clear, 1 more is mortgaged, and 1 more is rented than in 1890.

Rent is always the first demand to be met out of the earnings of labor. Estimating the average rent of homes of all classes at \$200 a year, and estimating the annual payments of interest on mortgaged homes at the same amount, we have over \$2,000,000,000, less the amount paid in taxes, annually transferred into the pockets of ten per cent. of the population through rent for property used only as homes. Rent or royalty is paid also for real estate used for business purposes, mines, cattle ranges, ranches, and various other uses, and for farm land above the \$200 just estimated as payment for homes. Suppose the rent for all these other classes of property combined to be equal only to the amount paid for homes, it

\*These figures are conservative, as they include only the tenures definitely stated. There are 300,000 families owning homes not reported as to incumbrance, of which the majority are probably mortgaged. There are 562,000 reported of unknown tenure, doubtless mostly tenants. The free and clear home is most likely to be reported definitely to the enumerator, but the percentages given out by the census bureau count unreported and unclassified homes as being owned, or as being free and clear, in the same proportion as those reported.





makes an annual rent bill of four billion dollars; more than the total value of farm products.

More than half of the families are actually tenants, and consequently have no share in real estate values; on the contrary, advances in land values put added burdens on them in the form of increased rent. Besides, fifteen per cent. of the families occupy mortgaged homes and farms. While these may get some of the benefit of increased land values, most of them have building sites or farms that increase in value slowly, if at all; many are trying to clear a little home and will find the improvement losing more value than the land gains; and most of these mortgagors are in reality tenants (as they are in theory of law, holding under the superior right of the mortgagee), paying an annual tribute equivalent to rent. If we estimate that two-thirds of the mortgagors are really tenants, we have only 35 in each hundred of the population owning any land values whatever.

But included in this class of "owners" are those who own no more than the home they occupy, and these must be deducted to find the landlord class. Professor J. G. Collins, a statistician who had charge of some of the 1890 census inquiries, estimated that only about ten per cent. of the population were landlords and these owned and controlled somewhere near 90 per cent. of the total land values of the nation.

In New York city 88 in every hundred families are tenants, in Boston 81, and Philadelphia, the "City of Homes," 77 in every hundred. In the 160 cities of at least 25,000 inhabitants each, the average number of tenants is 74 in a hundred.

Nor is it only in the large cities that the pro-

portion of tenants is disquieting. There is not one State or territory (except Alaska) where less than 40 per cent. of the families are tenants. And in only seven (Idaho, Iowa, Nevada, North Dakota, Oklahoma, Utah and Wisconsin) are less than half the families tenants.

The large percentage of tenants is often attributed to the "shiftlessness" of the Negro, or "pauper" immigration. But the native white American is but little better off. Of farm homes occupied by native whites, 32 per cent. are hired, and of other than farm homes, 61 per cent. Nearly half (49 per cent.) of native white Americans are tenants.

It is not a question of race or nationality, or location or occupation. These affect the condition but slightly. The important fact is that the inhabitants of the United States are losing possession of the soil of their country.\*

Agriculture is the primary industry, upon the

\*To facilitate comparisons, the census percentages for various classes alluded to in the text are assembled in one table:

Tenure of families in United States: in percentages:

	Free and Clear.	Mort- gaged.	Hired.
All homes in United States....	31.8	14.7	53.5
Farm homes.....	44.4	20.0	35.6
Other than farm homes.....	23.4	12.9	63.7

Other than farm homes, subdivided:

100 cities of at least 25,000 population .....	14.5	11.2	74.3
*Outside of these cities.....	36.0	13.0	51.0

Tenure of native white families:

All homes.....	35.7	15.4	48.9
Farm homes .....	48.1	20.1	31.8
Other than farm homes.....	27.0	12.1	60.9

\*Computed from census figures. The other percentages are those of the census.

prosperity of which all other industries depend, and employs the greatest number of people, so it would be natural that those engaged in that industry should acquire a large share of the total wealth. But this is not the case.

The total number of farms in the United States is 5,737, 372. These support a farm population of about 28,000,000 people. The value of these farms, including buildings, improvements, farm implements, and live stock, is over twenty thousand millions, (\$20,439,000,000), or little over one-fifth of the total wealth, while the agricultural population is about 35 per cent. (over a third) of the total population. So that one-third of the people farm and have in their hands only about one-fifth of the wealth.

But of these farm families about 35 per cent. are tenants and 20 per cent. occupy mortgaged homes, only 45 per cent. owning free and clear farms. So that not only is there less wealth among the agriculturists than among an equal number of the rest of the people, but a large part of this wealth does not belong to the agriculturists.

Nor does the possession of "wealth" enable the farmer to make a much better living than is made by the penniless wage-earner; else so many farmers would not abandon their farms. There are not many statistics on the earnings of farmers, but once in a while something throws a sidelight upon rural conditions.

The Wisconsin Tax Commission sent out in 1899 a series of questions to 6,000 farmers scattered throughout the State. They estimated the average value of their farms at \$5,000. There were only 656 who reported in detail the gross

income of their farms, the farm expenses, and net income. This net income averaged \$310 for the year, and out of this \$40 direct tax had to be paid. Of course these farmers got housing and much of their food in addition to that net value. But after buying clothes and groceries, how long would it take one of them to save even a hundred thousand dollars from his earnings?

You are told that the people have their money in the savings banks, which reported more than seven million deposit accounts last year, averaging \$400 each. But each of these does not represent a separate depositor; nor are they largely the savings of the poor. Stand before the savings banks in New York and Philadelphia and other large cities, and you will see depositors driving up in carriages. The Massachusetts Labor Bureau investigated this question in 1873, and reported that in that State persons not wage-earners were depositors to at least one-half the total amount on deposit; that wealthy people used savings banks to escape taxation and the care of other investments; that they deposit for themselves to the legal limit, open accounts for members of their family, and accounts as trustee. (The writer is not a rich man, but he has seven savings bank accounts in his own family).\*

But who then has the wealth?

The total estimated wealth is more than ninety-four billion dollars, (\$94,300,000,000).

If equally distributed the family average would be, in round numbers, \$5,800.

\*The New York Times of June 27, 1904, says that the probate of the will of Mrs. Martha Moeller, one of the victims of the Slocum disaster, showed her to be worth over \$100,000, the greater part of which was "money on deposit in many savings banks."



It is not quite equally distributed. In the Political Science Quarterly, 1893, George K. Holmes, an expert statistician employed on the census, calculated the probable distribution of wealth in 1890. (The census of 1900 omits data upon which to base a similar calculation). He estimated that of the total families in the United States

52 per cent. owned 5 per cent of the wealth  
 39 per cent. owned 24 per cent. of the wealth  
 9 per cent. owned 71 per cent. of the wealth

This small wealthy class can be further subdivided. The New York Tribune published a list of 4,047 families twelve years ago, estimating their total wealth at twelve billion dollars. But other estimates placed it at fifteen billion dollars, and it certainly has increased to that amount by this time.

This group of millionaire families represents about 20,000 individuals and controls at least one-sixth of the aggregate wealth of the country. Otherwise stated, one person in each 4,000 has an average of \$750,000, while the remaining 3,999 in each 4,000 have an average of \$1,000 to each person.

But this does not prove that most of these persons have a thousand dollars. The man who tried to wade across a stream whose "average" depth was two feet, was drowned.

Taking Mr. Holmes' calculation as a basis (though the concentration of wealth has increased since 1890) the distribution in 1900 was about as follows:

8,417,612 families own \$	4,715,000,000.	Family average \$	560
6,313,209 " "	22,632,000,000.	" "	3,585
1,452,847 " "	51,953,000,000.	" "	35,000
4,047 " "	15,000,000,000.	" "	3,000,000

In his careful essay on "The Distribution of Wealth in the United States," Charles B. Spahr estimates that in 1890 the poorer classes were 41 % of the total, or 5,500,000 families, with an average wealth of \$150; and that "seven-eighths of the families held but one-eighth of the national wealth," while one per cent. of the population own more than half the wealth.\*

Rockefeller alone is generally believed to own more than one hundredth part of it himself.

Enough statistics have been given to show (if anyone has ever really doubted it) that even with all the restrictions placed on industry there is enough wealth produced annually to give every person employed in productive industry a comfortable living for himself and family. That so many have only a bare existence is due neither to niggardliness of nature nor to lack of productive power and skill of men. It is because the few have been able to get more than their share. How they have obtained it will be considered further on.

I do not advocate dividing this up. That would be neither just nor practical. I show only how all may get equal opportunities of acquiring wealth and be no longer despoiled of it.

But remember, that large as is the sum of which labor is despoiled, it is small compared to the sum which is lost to the nation because natural resources are kept idle, and land is poorly used, or kept entirely out of use. Because labor cannot be used with the highest efficiency

\*Mr. Spahr's calculations are derived from census returns checked by probate records and other data, and are conservative, as will be seen by reading his book. For other computations, see "Currency and Wealth," by George S. Waldron.

upon the best land, and with the best tools, and because recurring depressions bring about increased idleness, the total product of the nation is but a fraction of what it might be.

## CHAPTER VI.

### Monopolized America

"The land question means hunger, thirst, nakedness, notice to quit, labor spent in vain, the toil of years seized upon, the breaking up of homes, the misery, sickness, deaths of parents, children, wives, the despair and wildness which spring up in the hearts of the poor, when legal force, like a sharp harrow, goes over the most sensitive and vital rights of mankind. All this is contained in the land question."—Cardinal Manning.

You see the cause of hard times does not lie in any lack of natural resources, or of skilled and industrious men to work, and that the talk of "over-production" is only a phrase used by "economists" to hide their ignorance or to impose on ours. With areas of fertile soil capable of feeding a thousand million people, with forests and quarries and brick-clay deposits enough to make houses for a thousand million people; with iron and coal enough to make and run machinery for a thousand million people; with cotton-growing land enough to make clothing for a thousand million people; this country finds itself unable to support in comfort seventy-six millions. Why? Is there a scarcity of capital; that is, of labor products which can be used in aiding to make more things? By no means. In the complex diversification of modern indus-



try, capital is an important factor, but there is plenty of it now eager to find borrowers. Capital is over-abundant, so that it cannot find opportunities for investment.\* Besides, if intelligent and energetic men are allowed to utilize the resources of the earth, they will quickly produce their own capital in the only way capital is ever produced; that is, by human efforts applied in using natural forces.

To create wealth, whether for capital or for consumption, all that is necessary is labor and land. You can see that we have an abundance of natural resources, an abundance of skilled labor, and an abundance of capital. Yet there is idleness, involuntary poverty and widespread business depression.

The real reason for this deplorable condition of affairs, must be found elsewhere than in the current explanations. This reason can be summed up in one word—"Monopoly." It is because free America has become Monopolized America, that great facilities for producing wealth, a great volume of labor products, and great riches in the hands of a few, confront armies of under-paid, underfed and ill-clothed workmen. Idle men and women who seek in vain for work are kept in idleness by Monopoly. Those who find work are robbed of their earnings by Monopoly. The farmer pays high prices for freight and passenger rates to Monopoly, and has the price of his products reduced by Monopoly which handles them. Monopoly controls employment

\*The plethora of funds and the lack of demand for money as a result of business contraction have forced the interest rates for money on call to one per cent. In some cases banks and other institutions have been unable to lend their surplus funds even at that low figure.—New York Herald, June 16, 1904.

and levies toll upon laborers, manufacturers, merchants and professional men. The vast stores of iron, coal and other minerals are controlled by Monopoly. The forests are fenced in against the men who want to cut lumber or fuel. The fertile land is held unused. On every side the application of strong arms and quick hands to the earth, or to materials drawn from it, is forbidden by some Monopoly. It stands in the way of national development, and out of the promise of a commonwealth of freedom and equality, has created plutocracy and the widest inequality.

Born of the ignorance of the masses, mated to the cunning of the few who profit by it, monopoly has grown until it overshadows the country from Maine to Florida, and from Texas to Washington.

Monopoly invades every department of industry, and unless tribute is paid, it closes factories and shuts down mills. By the magic of franchises and special privileges fenced by law, it stretches out its long arms and draws into its capacious strong-boxes the earnings of the people.

But the chief injury inflicted by monopoly is not in what it takes from the producers; it is in its power to check production by holding out of use or out of full use, that without which men cannot create wealth. Men cannot get work because a few men control the opportunities for work. In spite of the enormously increased facilities for producing wealth, the number of the poor is steadily increasing,\* because more and yet more tribute is exacted in return for al-

\*See chapter on The Charity Problem.

lowing men to live and work; and vast opportunities are withheld so as to squeeze the last penny of tribute for the use of the rest.

Perhaps you have never thought of the extent to which this "our country" belongs to a few of us. Here are facts and figures. Of course you don't like statistics, they always puzzle you; maybe you have a shrewd idea that they can be used to prove almost anything, but if you want to consider why more wealth is not produced, and how so much of that which is produced is drained away from those who make it, it will pay you to read carefully the rest of this chapter.

Look first at the control of natural resources:—land fit for cultivation, mineral lands and forests. On this point the facts are well known. Through reckless gifts of our public lands, all the great domain of prairie, forest and mines is now owned by individuals or corporations. The national policy of granting homesteads was wise and just, in so far as the land was given to men who intended to use it. But the government did not stop with grants to settlers. Immense areas of most fertile soil were given to railway companies and other great corporations; vast tracts of forest land were sold for a trifle or granted away, and the mineral deposits, coal, iron, oil, and so on, were handed over to a few individuals.

As a sample of the manner in which America has been disposed of, take the grants to railways. To record all the wholesale throwing away of the people's land would take a book of this size. Here are a few items. To the Northern Pacific Railway 42 million acres were given; to the Union Pacific 16 million; to the Central Pacific 15 million; and to the Southern Pacific

14 million. The Texas Pacific Railway got 13 million acres. The Oregon Central, a comparatively short road, got 4,700,000. The Burlington & Missouri Railway was presented with 3,373,000 acres. And the list might be continued until a total was reached of over 200 million acres given to railroads alone.\*

Do you realize what this means? It means that a few corporations, which received also franchises of enormous value, have been given a greater acreage of fertile lands than the entire land area now included in the thirteen original states. Suppose the proposition had been made in 1789 to give all the states won from the British at the cost of so many lives, to a few companies. What would Washington or Jefferson have said?

Then turn to private land owners and syndicates. During the past fifty years almost the entire area of the fertile lands west of the Mississippi has been gobbled up, part of it being subsequently sold to actual settlers, and the rest held as a speculation until increasing population should force the public to yield to extortionate terms. Among these forestallers of natural resources are reported the Texas Land Syndicate No. 3, owning 3,000,000 acres in Texas, in which such titled foreigners as the Duke of Rutland and Lord Beresford of the English nobility are large owners. Another syndicate, the British Land Company, owns 300,000 acres in Kansas alone, besides other lands in various states. The

\*The total area of land granted by Congress for building railways was 215,000,000 acres; though not all railways were built. The land office estimated that the area taken was 178,000,000 acres. (Ex. Doc. 42. Forty-sixth Congress). But some railways fenced in much more land than was granted to them. And in addition to the national grants, the State of Texas gave 38,000,000 acres to railways.



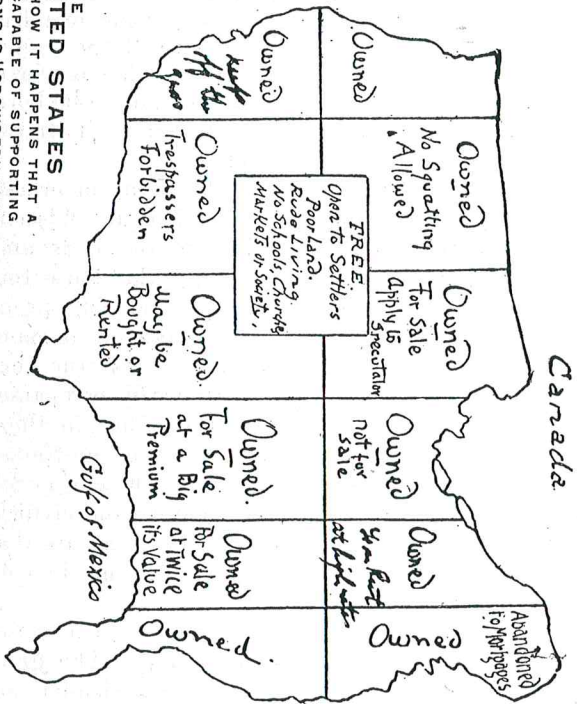
Duke of Sutherland owns hundreds of thousands of acres in Florida, and Sir Edward Reid controls 1,000,000 acres also in Florida. A syndicate of which Lady Gordon, the Marquis of Dalhousie and other titled Britishers are members, controls nearly 2,000,000 acres in Mississippi. As these lands cannot be used without payment to their so-called "owners," it is evident that a good many citizens of this republic are contributing, or must contribute when they have to use land in these states, to the support of that foreign aristocracy from which our forefathers believed we had been forever freed.

Nor is the ownership of America by foreigners confined to the aristocracy. Plain Patrick Scully, an Irishman, managed a number of years ago to secure possession of large tracts of land in Illinois, Iowa and Nebraska. The income from these lands, as fast as they found tenants, was used to buy more land, so that Mr. Scully now owns about 300,000 acres. Whether it is any easier for a tenant farmer to pay rent to a "Mr." than to a "Sir" or a "Duke," is a question which awaits an answer. In fact Scully is often spoken of as "Lord" Scully.

There is, however, a growing sentiment in America against alien ownership of land, and it has been urged by many reformers that Congress should pass a law forbidding aliens to own land in this country. This suggests the further question, whether it is any easier to pay rent to a citizen of Boston or Baltimore than to a citizen of London or Berlin.

What has been done by the syndicates and by Mr. Scully has been done on a smaller scale by thousands of other corporations and land lords,

MAP OF THE  
UNITED STATES  
SHOWING HOW IT HAPPENS THAT A  
COUNTRY CAPABLE OF SUPPORTING  
1000 MILLIONS IS "CROWDED" WITH  
76 MILLIONS.



until now there remains, in all the great territory of the United States, practically no land of any present or probable value which can be used without paying someone for its use. East, West, North or South, wherever wheat or cotton, corn or sugar or anything can be profitably raised, everywhere there is the sign "No Trespassing Allowed." The man who wants to work on the soil finds that in every direction some one has been ahead of him and has obtained the exclusive title to the use of all the land that is worth anything. Today a baby has no right to be born on the land, or even to be buried in it unless someone will pay for its grave.

And as with farm lands, so also with timber and mineral lands. The pines of Michigan, Wisconsin and Minnesota, the gigantic redwoods and other timber of the Pacific slope, the dense forests of Florida and Mississippi, and the spruce woods of Maine, all have owners who demand "stumpage" for each tree cut. It is true that some of these forests are owned by companies which cut the lumber from them, but in these cases the charge for permission to work on timber lands, is just as certainly paid by those who use the lumber. No tree is so remote from civilization as not to have an owner, who takes care that no idle workman shall employ his time in converting it into a useful article.

The control of mineral lands is still closer than that of farm or timber land. The great anthracite coal deposits of Pennsylvania are in the firm grip of a few persons and railway corporations who well know the enormous value

of their exclusive privileges.\* Having control of the only anthracite coal mines in the country, these men and companies have combined to limit the production of coal and to raise its price. So effectively has this combination worked that the price of coal is now, on an average, one dollar per ton more than it was five years ago, and the increasing demand for coal enables the combine to give the screw other turns and force the price higher and higher.

They force the price up notwithstanding the superabundance of coal. President Fowler of the New York, Ontario & Western R. R., testified in 1900 that "without some restriction," by which he meant railroad control, "coal would be a drug in the (New York) market at \$2 a ton." You can read all about the anthracite coal monopoly at the end of Dan Beard's "Moon-blight."

The fields in which bituminous coal is found being nearly one hundred times larger than the anthracite fields it has not been so easy to control its production. Yet every known coal seam, even in the remote mountains of Tennessee, Colorado or Montana, is "owned" by some one. You can see on the Pennsylvania coal roads four thousand cars as big as houses all marked Berwind-White Coal Company. But most of the fields are owned by people who do not intend to mine coal but who expect to charge others royalties for the privilege of mining. Every ton of coal which goes to furnish power for hauling

\*The Anthracite Strike Commission accepted as accurate the statement that 91 per cent. of the anthracite lands are owned by the six railroads and their subsidiary companies, and 5 per cent. more are controlled by them. (Report Dept. Labor, May, 1903, page 448.) There are only about 150 individual owners.



freight or turning mill wheels must pay a tax or royalty to the lord of the land out of which it is dug.\*

The same is true of iron ore, one of Nature's most important gifts to mankind. In the mountains of Pennsylvania, of West Virginia, of Tennessee and Alabama, and in the "ranges" of Northwest Michigan and Minnesota there are immense bodies of the raw material for the various products of the iron and steel industries.

Although these ore deposits have been but partly developed there is evidence of more than enough to supply all demands for centuries to come. Through their ownership of the land in which the ore is found, a lucky few have made great fortunes, and in recent years the tax on industry in the shape of iron mining royalties has been increased by the combination of all the principal producers of ore suitable for Bessemer steel into a trust which raised the price of ore from one to three dollars per ton. As the United

\*The following press dispatch shows how the coal lands are gobbled up by syndicates:

Columbus, O., March 23, 1897.—The entire Jackson County coal field passed into the hands of the Krueger syndicate of London yesterday. The deal was negotiated by Charles Fisk Beach, of London, formerly of New York.

The purchase price of the Jackson field is in the neighborhood of \$4,000,000 and the following companies are in the consolidation: Superior Coal Company, owned by C., H. and D. Railroad; Fluhart Coal and Mining Company, Milton Coal Company, Eliza Coal Company, Tom Corwin Coal Company, Alma Coal Company, Tom Corwin Mining Company, Comet Coal Company, Jones Coal Company, Emma Coal Company, Chapman Coal Company, Gosline & Barbour, Jackson Hill Coal Company, Jones & Morgan, Standard Coal Company, Northern Coal Company, Buckeye Coal Company, and Central Coal Company.

This is among the best bituminous coal fields in the West. The field mines 1,600,000 tons annually, and the aggregate business is \$2,500,000 per year, with a net profit of \$500,000. Mr. Beach says that this was the first investment of the Krueger syndicate in this continent, but to be followed up with others.

States Steel Corporation has a practical monopoly of the iron lands in the Northwest, and has through the tariff a monopoly of the domestic market, it has been able to make the consumers of iron and steel pay at least 20 million dollars more per year than a fair price for those products.

It would only waste time to detail how other natural resources are grabbed. You know how the Standard Oil Trust has got the valuable oil fields and how it has its agents continually on the watch for the new wells. Just as soon as a prospector "strikes oil" along comes an agent and buys up the tract of land in which the oil has been found. Not in order to produce oil—there is as much oil already being produced as can be sold at present prices—but to keep the land under its own control so that there will be no new competition.

On this question of the ownership of land and the burden it lays on the people, the Hon. Henry A. Robinson, formerly statistician of the United States Department of Agriculture, says that in 1890:

"The total royalty of the mines worked, stumpage of timber paid, the rent of the water power and ground rent of building sites amounted to at least \$935,000,000."

Mr. Robinson was not figuring on interest on mortgages, rents for railway and franchise grants, and other like items which enormously swell the total.

## CHAPTER XX.

### What We Want and How to Get It

To replace depression with prosperity; to give the workers shorter hours and the full results of their labor; to keep the few from filching huge fortunes from the many; to reduce rents, and to make this nation home owners instead of tenants; to open opportunities for work to all; to raise wages; to abolish involuntary poverty; to free men from the demoralizing strife of our one-sided competition, and to establish a true co-operative commonwealth of free association, one thing is needed:—the abolition of exclusive privilege.

This sounds simple. And it really is simple, so plain that most social reformers reject it. They want something complex—a separate remedy for each evil of our social system. They want laws against the results of other foolish laws. They think that regulation and restriction is the solution of the problem of the time. Until they discover the cause of the disease they seek the wrong remedies.

If you have followed the argument of this book you will see that the answer to the question asked on every side: "How can we abolish injustice?" is: "By repealing the laws which create injustice." Not by building up a cumbrous machine of regulation of industry, but by tearing down all the

barriers and restrictions which laws have set up. Not through governmental appropriation of all business, but through the abolition of interference with business.

There is an essential difference between ownership by the state, and by the people. The confusion of the words "state" or "government" with "the people" is a juggle by which a great many persons, perhaps you, have been deceived.

Because the state represents the people, it does not follow that for the state to take possession of all wealth would be for the interests of the people. The "state" never will be all the people until we have an ideal society. The state is nothing but an organization of the will of the most forceful, and no matter how the interests of the rest might be protected by law, the better organized will always rule the less organized just as those engaged in the great businesses of transportation and manufacturing rule them now. That this must be so in all communities based on authority is shown by Edward Bellamy in his work "Equality." Having described the workings of an Utopian republic in which the government was the owner and manager of all productive industry, he explains that in the new order it was found that some people objected to the commonwealth, but they were compelled to resort to outside reservations, where they were supported by their own labor. That is, after all the choice farm lands, the valuable mineral deposits had been seized; the best localities for cities; and the accumulated wealth of the past, the individuals who did not like the regime were to be kindly permitted to go outside of civilization and make a living as best they could. Permission for dissatisfied people to go off some-



where into the woods or mountains, if they don't like the government, is not the freedom which men of independent spirit want.

Mr. W. J. Bryan has said a great deal about monopolies and their effects in producing hard times. He has vigorously denounced the policy of building up trusts by legislation, and has urged the people to unite to overthrow those enemies of the public welfare. Mr. Bryan has pointed out how particular monopolies rob the wealth producers, and has shown that continuance of present conditions must end in the great mass of people becoming slaves of the privileged few. But when it comes to striking down the oppressors, Mr. Bryan's remedy, in spite of the failure of laws in the past, is more laws. Mr. Bryan admits that monopolies are the creation of bad laws, but he never demands the repeal of these laws. He thinks that we need only more laws against trusts, or the better enforcement of the present laws. And Mr. Bryan is like most other anti-monopolists. They would like to do something, but don't know just how to go about it. They repeat the Jeffersonian principle of "equal rights for all; special privileges to none," while they demand favors for some particular interests and classes. They denounce class legislation but have little idea of a society without such legislation. Therefore the rich and strong laugh at their trumpery laws.

More laws? O yes, you can have more laws; but the daily walk and conversation of a citizen of New York is regulated now, as nearly as can be counted, by twenty-one thousand two hundred and sixty laws, besides unnumbered ordinances of Bureaus and Commissions. The meaning of

these laws is clearly and briefly set forth in about eight hundred current law text books, and further illuminated by the judges in several thousand "leading cases."

You see "the law is a game played by us lawyers, under complicated rules, made by ourselves, for our own benefit at the expense of the public."

But when these laws are in the way of those who alone take a continuous interest in elections and legislation, we have them all set aside as in Colorado. You will find an account of that in the Public of Chicago for June 11th, 1904. The constitution of Colorado forbids martial law; but the Supreme Court of that state has decided that the governor can declare any part of the state to be in "insurrection," put the military in charge, arrest any one he pleases, have anyone shot or hung whom he designates, and that the courts have no power through habeas corpus proceedings or otherwise to interfere with the governor. This isn't "martial law," of course, because the "insurrection" proclamations have been issued at the demand of the corporations to whom the governor owes his election.

There are men, some of whom call themselves "physical-force Anarchists" who think that the people can be freed only by violent revolution. Against this idea, the Chicago Freie Presse, a paper which defends many of the Populist views, has said:

"Occasionally we hear our fellow citizens say: 'If misgovernment continues, only a new revolution can help us.' We are glad to see that Governor Altgeld opposes this view. He says that revolution can not bring improvement, it would mean only that we will have more cruelties, more

police, more soldiers; more despotism under the mask of fine phrases.

"A rebellion is justifiable only when the people cannot make known their will. In that case force must meet force to bring forth improvement. But in the United States there is no necessity for this. The result of the elections has, so far, always been accepted as decisive, however much that result may have been brought about by underhand methods. Though the elections have been influenced very frequently in a manner which verges on the illegal, it must be admitted that all parties have taken their turn in this mode of 'assisting the public will to declare itself.'

"We admit that this happened during the last Presidential election. But despite bulldozing, false promises, and election frauds committed by the victorious party, the bi-metalists accepted the result, trusting that the gold-standard people will do the same next time. As long as the suffrage is not curtailed, a violent rising against the results of an election is foolish. The people have a right to make their will known through the secret ballot. The result of the elections often does not please us, but that result is, on the whole, in accord with the common sense and honesty possessed by the voters. If, for instance, some Chicago wards continue to elect boodle aldermen, we think that the electors are no better than the elect, and that boodlers are their fit representatives.

"A revolution would change nothing. The people cannot get additional liberties. After a revolution, as before it, they cannot do more than elect their representatives and officials, and there

is no reason to suppose that they would choose more honest and able men than now.

"If, on the other hand, an unjustifiable insurrection were to be crushed by force, the victorious reactionaries would punish the rebels with bloody rigor, the army would be increased, the welfare and freedom of the people would be reduced in the name of public safety. It would be nonsense for the people to rebel against themselves as long as the suffrage remains and the result of an election is respected."

So you need not be alarmed about the will of the people being defeated by force or fraud. There is in America but a small standing army, composed of ourselves; that will not long help to sustain injustice. Governments, courts, militia and police will all obey the orders given them by representatives of the people, just as soon as the people elect men who truly represent them.

If you see that the long train of evils can be quickly abolished by the repeal of laws that create and maintain the evils, you have next to consider how you can best bring this about. You will find ample evidence that the great majority of Americans are profoundly discontented with present conditions and are anxious for some great change. The people are slowly awaking to their folly in allowing themselves to be exploited and it will not be long before that discontent will somehow find practical expression. The Presidential campaigns of 1896 and 1900 showed that economic questions, the problems of a larger production and fairer distribution of wealth, will be the controlling issues in politics in the future.

A contest is coming when political parties will be broken up and the struggle will be between the



robbed on the one side and the robbers with their supporters on the other. We must open men's eyes, so that they shall see on which side they really belong. In the excitement of a campaign it is hard to make converts.

Here is where you must do your part. Not someone else's but your own part. You must insist in season and out of season, that the way of escape from the ills of which Democrats, Republicans, Populists, Prohibitionists, Socialists, Greenbackers, and all others complain, is through the repeal of class legislation. No matter how attractive any other policy may appear; no matter how plausible the arguments for this, that, or the other subsidy, or for "constructive" schemes of society, you must stick to the one demand for the abolition of privilege. You will be told that your proposal is purely negative, that the people will never support a merely "destructive" policy, and that you must have a cut-and-dried plan for reorganizing society before you can get a following. You will meet with demands that wealth taken from its makers should be subjected to income or inheritance taxes in order that a small portion of it may be recovered; that privileges given to one should be extended to another, that farmers should now get their share of favor by legislation.

Against all these objections you must maintain this clear and definite proposition; that the way to abolish monopoly is to repeal all monopoly laws. The natural order of society is much wiser and better than any human device or state regulated system.

Do not be afraid that freedom will intensify competition. We cut each other's throats only

in want or fear. Even the rats eat one another only when they are starving in the trap.

Men desire to help one another; they wish to compete in that; they trample on their fellows only when they are penned in or when the panic of the crowd prompts each to save himself.

Mankind has never had anything like freedom yet. The despotism of the patriarch has been succeeded by that of the chief or the priest; then came robber barons and kings ruling the land, and latest is the land lord and his laws.

Superstition, slavery, custom, law, are but the steps by which we rise toward Liberty.

Let the government confine itself to its proper business of preserving the peace, the equal rights and personal freedom of the people, and stop interferences with production and business. Abolish the foolish laws which prevent men from working on unused land or which keep them from exchanging their products as they wish or from using the best methods of credit and exchange, and a social order will be evolved higher than has ever been dreamed of.

Events may show some other weak point to be assailed or some other means to use, but at present the best weapon with which we can begin to abolish privilege is the taxing power. All the valuable privileges and franchises having been foolishly given away, it would be an almost hopeless or at least a tedious task to recover them. In addition to public ignorance and indifference, there is the barrier of "vested rights," which is always brought up against any proposal for restitution. Even though state and national legislatures should pass laws restoring what has been taken by force or fraud, the courts would

declare these laws "unconstitutional," on the ground that they violate contracts between the government and certain citizens. Until the constitution can be amended so as to allow us to revoke unjust and fraudulent contracts, the great bulk of public franchises now in private hands cannot be recovered without payment of the exorbitant sums that these franchises now command.

For the cities, states, or national government to buy up all franchises at their present market value, a value not given them by the labor or ability of their owners, would be to load themselves with debt, the interest on which might nearly equal what is now paid the franchise grabbers. The change from paying enormous prices for goods or services, to paying enormous sums as interest, would not be much advantage. Wall Street would pocket interest, instead of dividends, and the public would, as now, pay the bill.

But it is not necessary to take possession of all these franchises and privileges in order that their values should go to those whose work and presence create them.

Taxation is another and easier way. Through it all excessive profits can be taken for the city, state and nation. Our whole present system of taxation, based on taxing wealth and consumption, is bad. As taxes on goods, houses and such things are invariably paid by the consumer in the end, our taxes fall most heavily on the farmers and other workers. And no matter how much tax is collected from rich owners of factories, stores, or transportation companies, these taxes are in the long run paid by the ninety-five per cent. of the people who are not rich.

But put the tax on privilege; that is, on exclusive rights granted to certain persons to operate railways, telegraphs and telephones; to lay gas mains; to mine coal or cut timber on certain pieces of land, or to occupy the most desirable locations for manufacturing, business, or residential purposes.

A tax on privilege means that the holder of the privilege must pay to the people the value of the privilege granted. This is a plain proposition, and plainly fair and just.

Such a tax cannot possibly be shifted to consumers because the holder of the franchise which we will tax is already getting all the public can pay for his services or goods. Prices therefore cannot be increased to cover the additional tax, without reducing sales or patronage, with a consequent loss of profits.

Another reason why taxes on privileges cannot be shifted is because such taxes operate to open up fields for freer competition. Our present system encourages holding land out of use, by levying little or no taxes on valuable lands kept idle for speculative purposes. If all these privileges in vacant lands were taxed to their full value, the holders would have either to put the lands to some productive use, or let some one else use them. In either case the opportunities for labor and the consequent production of goods would be vastly increased.

Since then, it is a question of raising taxes either from consumption or from privilege, we should get the tax laws of our city, county or state changed so that all the taxes will be levied on those who have law-made advantages. This will



produce the quickest, most far-reaching results in the war.

The power to tax is the power to destroy. Agitate this, and you will accomplish something definite right here and now—not in a far off millenium. In some states they are doing this now. We read a special dispatch to The Evening Post: "Chicago, June 21. The railroad assessment question seems likely to become as prominent in the politics of Nebraska this year as it has been in Wisconsin. Efforts to lower rates or exercise any effective supervision over schedules have been defeated in the courts or legislatures. Recently the anti-railroad movement has taken the form of a demand for an increase of assessment on the railroad lines. The railroad companies have naturally resisted that attempt, and have got control of the Republican Committee and State officers. But these officers became so alarmed at the strength of the anti-railroad movement that they have met the demand half way. At a recent meeting of the State Board of Transportation, Edward Rosewater, editor of the Omaha Bee, led the reductionists and made such a strong presentation of the case that the board raised the railroad assessments 65 per cent., or \$19,000,000. This, while a substantial increase, only whetted the appetite of the Rosewater faction for still larger results. And this will be the main State issue discussed by the press and on the stump this year. The immediate effect of this action by the Board of Transportation on Mr. Rosewater was the defeat the following week of his candidacy for delegate to the National Convention, but Mr. Rosewater is only stimulated in his anti-railroad crusade by that defeat."