SOCIALISM AND SINGLE TAX

Restoration or the Land to the Laborer by Bolton Hall in Labor and Capital, ed. by Peters, 1902 p. 388-399

AGAIN the Interpreter took me by the hand and showed me two that contended together for the ledge of a hill that had been made narrow by digging away the bank, and the Interpreter said: "They are father and son."

And one took the other by the throat, and pressed him with intent to throw him down. And as I looked, behold, he that was pressed gave ground and stumbled where the earth was cut away, and both fell together and perished miserably in the abyss.

Then said I, shuddering, to the Interpreter: "Who be these?" And the Interpreter said: "The father is labor, and the son is capital, and they struggled together, for each thought that if the other fell, himself would rise."

If the interests of father and son are not identical it must be owing to some wrong state of affairs; and to enable labor and capital to see that their interests are naturally mutual it is only necessary to discover and correct that wrong state of affairs.

At present they are disputing about wages—not on the whole because they want to do so, nor because either capital or labor is bad, but, mainly, because they have to. Some laborers are well paid and get more than they need to live on; if they do, it is because something saves them from the compulsion of the competition of other workers. Some capitalists make large profits and could afford to pay higher wages; if they could pay higher wages, it is because something gives them an advantage over the other capitalists, whose competition they have to meet, and so saves them from that compulsion.

Meaning of Labor and Capital.—But, as we think about the relations of capital and labor, we must be sure that we mean the same things by labor and capital. If you reason of labor, meaning only carrying a hod or working at a trade, and I mean by labor practising law and writing this article, we shall not agree in our conclusions.

Let us take the common meaning of labor. "Effort used to produce anything useful;" the thing may be used to feed, shelter, or amuse us; the effort may be pleasant, like the work of a carver on his beautiful design, or irksome, like the work of a feeder to a machine; but if it produces something that is of use to some one, it is labor.

The part of this produce that remains in tangible form we call wealth, for wealth, you know, is only valuable labor product and not merely money or bonds; indeed, money and bonds usually mean only the power to take wealth from others. Mr. Wanamaker is wealthy, if all the contents of his stores are paid for, even if he should not have securities or money in the bank or cash in his office. He would still have wealth used as capital. So we may take the usual meaning of capital also, "that part of wealth used to produce more wealth."

The housesmith who owns his hammer is, to that extent, a capitalist; if he owns a pile driver he is a larger capitalist; and if he owns a trip hammer or a steel plant he is only a yet larger capitalist.

Capital may be used by the owner himself, or used to help the labor of others, or to oppress others, but that does not make it the less capital any more than to chew a cigar or to use it to blow up a barrel of gunpowder makes it less a cigar.

Interest goes to capital as its reward. Wages ought to go to labor as its reward. The laborer wants more return for his labor. The capitalist wants more return for his capital, as interest.

Methods of Increasing Wages.—The problem then really is how to raise wages of labor and of capital. For wages are only that part of the thing produced that goes to the producer of it. Neither labor nor capital will object to the other having an increased return, provided the increase is not at his expense. In fact, Mr. George Gunton publishes a magazine devoted to a plan for increasing wages by "raising the standard of living." He wants to increase the wants of the coal miners by teaching them to smoke cigars instead of pig-tail plug, and to give up beer in favor of champagne. That the professor thinks that the hole produces the mouse, instead of the mouse producing the hole, makes no difference in his good intent. The fact is that when men get high wages, they will learn to buy luxuries "all by their little selves," without a professor of social economics to teach them. Naturally, both capital and labor are desirous of increasing their own wages, and there are few laborers who are not capitalists in some small way, and there are few capitalists that do no labor whatever; so that it would be to their interest to increase all wages.

Every one recognizes that it is competition that regulates wages. For where capital finds abundant opportunities, as in a new country, interest rises, and where these opportunities are taken up interest falls; where two men seek one job wages will fall; where two jobs seek one man wages will rise. Hence our laws against immigration and the plans of Mrs. Besant and others for the prevention of births.

But we may lessen competition either by decreasing the supply of labor and of capital or by allowing the demand for labor and capital to increase.

For instance, every year a few men meet in a directors' room and decide how many tons of coal shall be mined in the coming year. Their actuary figures what the probable demand will be, and how much coal should be mined to bring say a hundred percent profit. To do this they put certain mines on short hours and keep certain coal fields idle. The result is that the laborers, pickers, machinists, weighers, engineers, superintendents, and carriers who would be employed in getting out that coal are out of jobs, and the clerks, salesmen, and lawyers and those who serve them, who would all be employed in getting coal to the consumer, are also "out of a job," and crowd the labor market, bidding for your job and for my clients. The demand for capital also falls. But those coal mines and fields might be opened up, increasing the demand for labor and capital instead of being shut down and decreasing it, as now. To shut them decreases the opportunity of labor and cuts the wages of the capitalists who shut them as well as those of the laborer.

Emerson says that whoever puts a chain about the neck of his fellow fastens the other end about

his own neck; for we are of one flesh, and nothing is more clear than that no one can in the end really profit by injustice.

Other methods of increasing wages are often proposed by those who wish to reform things without altering them. One is to encourage the laborer to demand high wages. This may sometimes help. Men often work for less than they could get because they and their fellows are content with what they do get. But the pressure of competition is a constant and steady force which, in the end, compels economies and forces the average laborer down to just what he can live upon—with some approach to the way that he has been accustomed to live.

Mayor "Golden Rule" Jones advocates the plan of shorter hours. He says, "Divide up the day." This is a palliative, like the short rations of shipwrecked sailors. It assumes either that the amount of wages is a fixed amount, which it is not, for the laborer creates that which is sold to pay his wages; or else it assumes that the amount of work to be done must be as limited as it is now. This is not so either, for no man should be out of work until all human wants are supplied.

Elbert Hubbard represents the teachings of the kindly co-operative school. The fault in this is that the owners of the land that must furnish the materials and the place for work are able to take all the increased product of co-operation in rent or price for the land.

Others advocate farm colonies, like the Salvation Army's, or the purchase of land by the laborers. These are good so far as they go. If the money spent on strikes had been devoted to the purchase of land no one would be out of a job except the landless men.

There is a little story about one John, who struck for \$3 a day. The boss said that he could not afford it, and John went out. The boss reasoned that John had his home in the village and that there was no other factory there. So he said to himself: "When John gets tired of idleness and want he will come after me." But John did not come. After a while business brisked up and the boss went after John. Said he, "I'll give you that \$3, John." So John came back.

The first day the boss came to John's bench: "What have you been doing these five months?" "I've been working, sir." "Working at what?" "At my wood lot," says John. "Oh!" replied the boss; "I did not know you had a lot." "No?" says John; "I knew it all the time."

The experience of the "Cultivation of Vacant Lots by the Unemployed" (a report of which the Philadelphia Association will send to any one who writes for it) shows that the distribution of land is the best palliative of which we know.

Efforts to raise wages by strikes are popular with working men, because to strike is to do something immediate. Notwithstanding the persistent assertion of the paid press much has been gained by strikes and little lost to the working man as a whole. The workers, as a whole, did not lose wages by the steel strike. If every one in any trade were employed a strike would mean loss to that trade, but every one never is, and though the strike checks building and other use of steel, and may possibly induce some to use stone or wood instead, the stone masons and carpenters will get more work for it and there will not be less buildings in two years from now on account of the strike.

Population and business grow, and a little later more men will be employed to put up the buildings that are halted now. A strike generally merely defers operations and wages. But the difficulty in a strike is that capital thereby idles and rusts, while labor, without other resources, starves.

Edward McHugh's "ca-canny" method, which works so well with the English dock laborers, has not been tried here. It is applicable, however, only to day's labor, for it consists of doing only a dollar's worth of work for a dollar—not to strike, but to take the employer's pay, and by general agreement for the men to "take it easy" till the employer pays them to do their best.

Socialism is ardently and ably advocated as a remedy for the struggle for returns that goes on between labor and capital. That has been discussed by others, so that it is enough to say that, unless it be voluntary socialism and include all the people voluntarily, it would degenerate into a tyranny, such as is described by Bellamy, where those who objected to its decrees, or were incapable of systematic work, were to be put into lunatic asylums or banished to waste lands.

Single Tax.—There remains the restoration of the land to the laborer. The simplest and natural way of doing this is by the taxation of land values. Single tax means one tax, to be levied on the value of land independent of improvements. In other words, the public appropriation of ground rent for all the needs of government, and the abolition of all other taxes.

This natural taxation will at once make the land accessible to all on equal terms, eliminate every form of monopoly, and restore equal rights to all without destroying private enterprise.

Land titles will remain and land be bought and sold under the single tax regime just as at present. Each will be his own judge of the amount of land he shall hold. He will pay into the public treasury, in the form of a tax, the full ground rental, whether he holds his land idle, or puts it to its best use. This will make it to every man's interest not to grab more land than he can profitably use. There will then be land enough available for whoever wants it. The owners of valuable land will then find it to their interest either to put it to use themselves, or let it go to those who will use it. Millions and millions of acres, at our very doors, will then be available for any one to use, and acquire. And we may then again extend a welcome to the oppressed of other shores without fear of their cutting down our wages by their competition.

Any one can get for fifteen cents *The Land Question*, by Henry George, or *Shortest Road to the Single Tax*, for ten cents, so I will speak only of the object and the effort of land restoration in relation to wages.

Wages are drawn by labor from the land. Everything we wear or use is drawn from the land. This paper and the ink and the press it was printed on come from the wood and the carbon and the iron in the land. Mr. Morgan, Mr. Carnegie, Mr. Hanna, and Mr. Rockefeller do not "give us work." They did not come into the world with a supply of work. All that they do is to get out of the way to some extent and let men get at the land to work. At the most they help to organize men, or to pay some to organize the rest, the better to work. But the monopolies that they sustain, and that sustain them, keep men from work.

Abolition of Monopolies.—Monopolies are mainly of four kinds. Patent, tariff, money, and land monopolies. These enable a few persons to take the product of the work of others and to shut off from men the opportunities to employ themselves and one another and to employ capital. This intensifies the natural, healthy competition, and enables the monopolies, as Karl Marx shows in the last chapters of *Das Kapital*, to "exploit labor," to exact from the producer the great bulk of what he makes. They force men to bid against one another for a chance to work.

Now, we single taxers propose to sweep away all these monopolies by simply repealing, one by one, the laws which create monopolies. We would repeal such patent laws as enable some to keep inventions unused or partly used. We would repeal the tariff laws which prevent men from getting for as little as possible what they want, and we would supply the deficit by means of increased taxes upon the site value of land. We would destroy the restrictive financial laws, the special privilege of free coinage to the holders of gold, the monopoly of issue of currency conferred on national banks by the ten percent "State Bank tax" and by the issue of notes against bond deposits, and, lastly, by making it unprofitable to hold land idle or only partly used, we would open to all the boundless opportunities of employment offered by the land and all that it produces and contains. For there are wants enough to be supplied and there is land enough to supply them all. Our one State of Texas would hold all the people of the United States and leave all the other States vacant, and still Texas would be less "crowded" than Holland is.

All the objections that can be raised to this simple plan are answered in Louis F. Post's pamphlet, *The Single Tax*. We will not repeat them here. No one can be converted to the single tax by reading an article. No one can convert you but yourself; but none of us can see truth unless we look; aye, look and study and think.

It is true that when monopoly is abolished what we call the "capitalist" will disappear, for all men will be capitalists. But we have seen that although at present the interests of labor are opposed to the apparent interests of the class that holds practically all the capital, this is not a natural condition. It is like the antagonism that exists between rats in a cage where sufficient food for all cannot be had.

We have seen that at present labor's interests are the same as those of capital—namely, to destroy monopoly. For monopoly is the enemy of both, because it keeps both out of employment and presses down the returns to both.

You are interested perhaps in the discussion of this struggle because the outcome of the struggle will mean plenty or want to you. But that is not the most important thing. It makes very little difference to the world whether you fatten or starve. But it makes every difference to the world whether or not you are able to do right in the world; whether it is really possible for men to love their brethren.

At present we live under conditions that compel every one of us, rich and poor, to trample upon our fellows in order to maintain our place. We are trying to take away his clients, his trade, his very place, or he is trying to take ours away. We wage the civil war of commerce that compels us to prey on one another. That is not the will of our common Father—that in order to do our duty

and feed our children we should take the bread out of other children's mouths. No, having given the earth to "bring forth abundantly to satisfy the desire of every living thing," He never meant that we should kill one another, shoot one another down, quarrelling over a wages' scale.

The right adjustment of this matter is in our own control. If we will do justice now, social justice now, we will be able for the first time to follow righteousness, and instead of striving merely to live, we will live in happy helpfulness of the world. But if we will not, our blood is upon our heads, and upon our children's heads, for "Whatsoever a man soweth, that shall he also reap."

SOCIALISM AND SINGLE TAX SYNOPSIS

Hardie. Condemns trusts — Profit sharing objectionable from union standpoint—Co-operation of limited applicability—State ownership and control of land and capital.

Jones. Right of all to work—More equal sharing—The few have no right to enjoy immense profits at expense of the many—Next step co-operation in distribution—Public ownership of railroads.

Chase. Condemns trusts—Trusts a step toward socialism—Individualism disappearing—Socialism next step.

Bliss. Actual conditions—Real conflict—Proposed remedies inadequate—Benefits of tradeunionism—Does not solve problem— Socialist party with national programme—Public ownership of natural monopolies—Next step after trusts.

Hall. A parable—Definitions of capital and labor—The burden of special privileges—Social value of land ownership—Benefit of strikes—Objections to socialism—Restore land to laborer—Single tax—Abolition of monopolies.

Crosby. War of capital and labor—Social and economic inequalities—Wage-earner's share inadequate—Effects of machinery on labor—State socialism not the remedy—Trusts and monopolies the result of special privileges—Single tax—Free banking and free trade—Equal opportunities versus monopoly of opportunities—Trade-unions a means of education of workers: a counterpoise to monopolies.