

question." Americans of African descent are mostly poor, and mostly laborers of some kind, competing for the limited opportunities allowed by land-monopoly and other forms of privilege. Many of them, ex-slaves or their immediate descendants, are used to a much lower scale of living than the average descendants of European ancestors. They can and will, therefore, accept less pay. This tends, as long as there are not enough "jobs" to go around, to intensify the one-sided competition and so make it more bitter. At bottom the so-called "color question" is not a question of "color" at all. Neither is it a question of race. It is really a "labor question." To solve it we must emancipate labor. We must abolish privilege. Race prejudice and color prejudice could not long survive a condition of things in which all who could and would work could become rich and educated and refined. This is the way out, and the *only* way. No other "settlement" will stay settled, for in this as in all other matters "nothing is settled till it is settled right."

With equal rights, economic and political, recognized and guaranteed, the social question would take care of itself. That is an individual matter. No one is under any obligation to associate socially with another, but each person is morally bound to recognize and respect the equal rights of all. Such recognition and respect does not in the least carry with it any necessity of social relations of any kind. Personal preference will, and should, determine these matters. And to it they may safely be left when equality in the recognition and enjoyment of rights has once been secured.

How can we secure this equality? There is only one way that is at once effective and just, and that is the way which is known as "The Single Tax."

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## JUST AN IDEA.

(*For the Review.*)

By JOHN HARRINGTON.

Perhaps nothing else serves so well to illustrate the progress of civilization as the improvements in the laws of taxation. The older forms of taxation were personal. They were in the nature of enforced contributions from individuals. They included poll taxes, licenses on occupations, fees, gifts, exactions, bonuses, enforced contributions of all sorts. Somewhat later perhaps, taxes were levied upon persons with some regard to the evidences that the persons had some means of bearing the burden. They were levied on fruit trees; and fruit trees were cut down. On windows; and windows were omitted from houses. On marriages; and marriage ceremonies were dispensed with. Especially were taxes levied upon the qualities of industry and economy, to the great detriment of both qualities. At the present time a nation's civilization and its progress in methods of taxation will be found to be in close accord; and it is not difficult to find a relation of causes and effect. In Russia, Turkey, and Spain ignorance, poverty and suffering go hand in hand with the evils in taxation. In England a heavy income tax greatly ameliorates conditions; but the virtual exemption from taxation of unused lands has a large counter-acting effect. Again the comparative free trade of England tends to improvement of the condition of the masses. Fifty years ago the heavy duties on grain caused such misery and suffering, and such relief followed the repeal of the corn laws, that the popularity of free trade still remains undimmed in Great Britain. Taxes on bread have been prolific causes of riot and bloodshed. And more than once so-called religious wars have been actually tax wars; because of laws which favored the true believers at the expense of the heretics.

The greatest advance has taken place in the general shifting of taxation from persons to property; and this change will be found to coincide in a large

degree with the advance of civilization, the greatest advance in both respects being found in the same countries. In this country the general property tax has found much favor from an early period. But that does not mean that there was an intelligent effort made to abolish personal exactions. In fact it has been a long and a slow process to get rid of excises, licenses, fees, penalties, and poll taxes as a means of raising public revenues. Many of these forms of taxation still remain; and many more are added upon the least pressure for additional revenue. Even our little war with Spain brought forth a surprising variety of stamp taxes. The growing sentiment in favor of income and inheritance taxes is somewhat reactionary, a revival of abandoned ideals; for income and inheritance taxes are perhaps fully as much personal exactions as property taxes. They are objectionable in their inquisitorial nature. Their chief merit is that they fall where there is sufficient income or property to bear the burden readily. But they are not scientific. An income tax will make a nation of liars. An inheritance tax falls only once in perhaps thirty years on property that ought to pay a tax annually. These taxes always contemplate a considerable exemption, and therefore they are not impartial.

So strong has been this thought of a personal exaction in the imposition of taxes, not only among the common people, but among statesmen, that even the framers of the constitution provided in that instrument that all direct taxes of the United States should be apportioned among the several states according to population regardless of property. Nevertheless the general property tax has won its way upon its merits to a position so popular and strong in the minds of the people as to be almost unassailable; and when we note its improvement over the old idea of a personal exaction, and when we recognize the advances in civilization that have gone on with this change, and the real merit in the general property tax, it is not to be wondered at. With our American idea of equality it was but a logical step to reduce the formula of the general property tax to the popular wording, "Equal taxation of all property."

However, some twenty-five years ago the present system received a severe jar from one who in a masterly manner showed that it too was unfair, unjust, inexpedient and burdensome. Henry George did not propose to go back to the old system of personal exactions, but rather to get farther away from that theory. The first step, which is yet only partly accomplished, is to abolish personal exactions, and substitute the general property tax. As has been said, this step has been accompanied thus far with wonderful progress in civilization. The next step, which Henry George proposes, is to divide what we call property into two classes: (1) those forms of property which are the product of human labor, and (2) those forms which are natural resources. Mr. George proposes to place all taxation upon natural resources,—to abolish all taxes upon the products of labor. It is thought by many that the progress in civilization which will accompany the second great step will not be less, but rather greater, in magnitude than that which is associated with the first.

Upon analysis, then, we may classify the subjects of taxation into three grand divisions: (1) Persons, (2) Property produced by labor, (3) Natural resources. As has been pointed out, the taxation that assumes the form of personal exactions has become more and more unpopular among the more advanced peoples. The general property tax includes the second and third divisions above named. Henry George showed what had not been seen with any degree of clearness up to his time, namely, that a tax on the products of labor is either directly or indirectly a tax on labor itself. A tax on what a man produces is a tax on the man. But he can usually shift it over, at least in greater part, to the man who buys his product; in fact he must do so, since it becomes one of the expenses of production; and it finally falls upon the consumer. But since the great body of consumers also constitute the great body of producers, it comes to the same thing, namely, that a tax upon the

products of labor is a tax upon laborers. While less direct, it has nearly all the evil effects of personal exactions; and it should be discontinued for the same reasons. A tax upon carriages means fewer carriages; a tax upon musical instruments and books means fewer of these; a tax upon houses means fewer or poorer houses, and so on through the whole list of man-made property. Therefore the proposal is to abolish all taxes not only upon persons, but upon labor-products, leaving the third division above named, natural resources, to bear all taxes. Of course this denies the soundness of the theory of "equal taxation of all property." But what of that if the theory isn't sound? And the fact that it cannot be enforced is very good evidence in itself that the theory is not sound.

Man must go to the natural resources of the earth to draw all the materials upon which to apply his labor in the processes of production, and also for the location upon which to exert his energies. May it not be that nature intended also that communities, states and nations should go to the same sources for the revenue required to meet the public expenses. Thomas G. Shearman makes a strong case in favor of this view in his "Natural Taxation." The advantages of such a taxing system are many and important. It will relieve industry, economy, and enterprise of its present burdens. It will leave to labor its entire product. It will increase consumption by cheapening products, thus improving the standard of living. It will prevent the monopoly of natural resources by adding greatly to the expense of holding such resources idle. It will be a burden upon no one, since natural resources have no value until population arrives; and as population increases so does the value of these resources. The tax would then be merely the absorption by the community of the value which the community itself created. It would take from no man anything which he had himself produced. The present overgrown fortunes in a few hands are nearly all due to the fact that privileged individuals instead of the public reap the values created by the public. The true remedy is not in an income tax nor an inheritance tax, but in a tax upon the natural resources from which these fortunes are directly or indirectly drawn. Such a tax made heavy enough, as heavy as it would be if all taxes upon human beings and the products of human labor were abolished, would absorb the unearned values now passing into private hands. It would relieve labor of the burden of taxation. It would prevent man holding land, mines forests and other natural resources for increased values which they would not reap. It would throw those resources open to men who wished to use them, and so draw many men from the competition of the labor market. These are but a few of the advantages that may reasonably be expected from a Single Tax on land values.

To the Single-Taxer what I have said above is merely elementary. It scarcely has the merit of novelty of statement. My purpose is to point out what seems to me a fact, namely, that as teachers of the philosophy of the Single Tax, we run off into minutia and detail discussion, such as whether the Single Tax ought to be expected to raise or lower the rate of interest, while the mass of the public want to know what the Single Tax is. There are thousands of the more intelligent people who think they know what it is, but who have a view of it so encumbered with misconceptions that they might as well never have heard of it. Even economists write glibly about it who have never read "Progress and Poverty." I know men who condemn the Single Tax who cannot be made to believe that they do not understand it, and yet who in every second sentence show that they do not. And yet we cannot induce one of these men to read "Progress and Poverty" systematically. I do not think I know a real Single-Taxer who has not read that work, nor a man who has read it honestly and completely, who is not a Single-Taxer. Doubtless there are many of both kinds. Still I think the most important step

that can be taken toward the making of a real Single-Taxer is to induce him to read carefully Henry George's masterpiece. Next in importance is putting the elementary truths of our movement in such simple, clear and attractive form that they will be read, and will sink into the mind of the reader. No two writers are likely to state the same propositions in the same way; and I assume that constant iteration and reiteration of the same truths in different languages by different people will gradually impress the truths upon the public mind.

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## DIRECT LEGISLATION MUST COME FIRST.

(For the Review)

By W. J. STEWART.

In the Review of October 15th, 1906, Mr. Garrison concludes his "Impressions of the Movement in England" with this statement: "The cheering consolation of Single-Taxers is the obvious fact that no social reform can advance until the obstruction of land monopoly is removed. . . . The sad thing is that so much wasted energy must be expended on palliatives before the cause of the disease is recognized and eradicated."

That no other economic reform could amount to much while land monopoly continues unabated, the Single-Taxer will not question; nor that every effort to bring about recognition of this truth is well worth while. But that no important reform can advance meanwhile is certainly far from true. On the contrary it may be said that the constant thought of Single-Taxers should be that land monopoly cannot be removed until other reforms have advanced.

In the first paragraph of the article immediately preceding Mr. Garrison's just referred to, Judge Brown endorses the statement "that the necessary political reform which must be the advance courier of the Single Tax is 'Local Option' or 'Home Rule' in taxation. . . . All progress toward practical application that the principle has made anywhere in the world has been on that line and so it must continue to be." That *political* reform must come first is here clearly recognized.

And that such reform must go even deeper than securing self-government by municipalities—instead of State government as at present—is logically certain; it must secure self-government by the people, both of State and municipalities.

We cannot reasonably expect to get "Home Rule" any more than the Single Tax itself through political machine action; even if we did get it, it could not be counted on for much if controlled by machine methods; and finally we will certainly have machine methods so long as we have government by so-called "representatives" who can do as they please. The logical conclusion is that Direct Legislation—the "Initiative and Referendum"—is a more fundamental reform even than the Single Tax, even than the Home Rule.

Following Mr. Garrison's statement, it seems to me that the sad thing is that so much energy must be ineffectively expended before the Single Tax question can be submitted direct to the people. For not only would that be by far the most effective educational means, but it must be the road to success. Let us not put the cart before the horse. Political reform, the attainment of real government by the people through Direct Legislation, must come first; and it is also in the line of least resistance. Should not Single-Taxers more fully recognize this fact?