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THE RIGHT OF

PROPERTY

AND THE

OWNERSHIP OF LAND.

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The Right of Property and the Ownership of Land.

(Read before the National Social Science Association, at Saratoga, September 10, 1886, by WILLIAM T. HARRIS.)

REVISED WITH ADDITIONS.

Social science seeks to understand the laws of the structure of human society with a view to use its knowledge for the increase of human welfare.

Man's nature is so complex that social science has difficulty in grasping all its phases. It has again and again found itself in error, because it has omitted some essential phase of society, in computing the elements of a social problem.

In this session of our Congress, we have already discussed the importance of a complete inventory of the topics that lie within the province of Social Science. We must comprehend the scope of the whole, and be able to make clear to ourselves by a definition the essential items in our general survey. We must discover one by one, all the elements that condition the problem of society, and learn to keep them in view when we seek an answer to any given question.

We are all aware of the dismal failure of political economy to explain the phenomena of wealth and poverty as an isolated province of human welfare. Man is a property-using animal, indeed, but this definition does not exhaust the nature of man. For man has three other provinces of activity equally essential. He reproduces his race by the institution of the family and sets up a process of compensation for the inequalities of sex, age, and other limitations of individuality, such as disease and personal peculiarities.

Property and its production, exchange, distribution and consumption demand a social combination which we call the *community* or *civil society*, an institution quite distinct from the family. Nevertheless there can be no science of the community if the family is ignored. For the entire structure of the community or civil society must be conformed to the essential requirements of the family. The preservation of the species and the preservation of that portion of the spiritual heritage of culture that takes the

form of manners and customs and language constitute the two-fold function of the family, and without these there would be no human race conscious of objects and purposes for whose attainment it could use wealth. Indeed, without the family there would not be any human race at all to need wealth.

A political economy, therefore, that ignored the laws of family life, would be a fatal mistake — just as a doctrine of the family that ignored the institution of civil society and made no preparation for it in family nurture, would fail to provide for the object of human life.

But the family and the community do not make up a complete inventory of the institutions of human life. They must not only have consideration for each other, but they must both have consideration for another province — for two other provinces or institutions — the State and the church.

Without the State there can be no perfect development of the family or of civil society. The State protects and defends, orders and arranges the family and the industrial process by which wealth is created and used.

The institution by which man gains truth and wisdom — spiritual wealth — and by it feeds the immortal soul, is still another institution, and we shall agree to call it the most sacred of all, for it is that alone which makes life entirely worth living. I like to call this spiritual institution the Invisible Church. It includes especially all forms of the Visible Church, and besides these, all labors in science and philosophy, all poetic and literary art, all the fine arts, in short, all free insight into the true, the beautiful and the good, and all practical endeavor that realizes and actualizes them among men. For art, religion and philosophy enable man to participate in the divine, and thus they furnish a sufficient reason for human existence. Without this participation in the divine, the preservation of the species through the family is not a matter of infinite importance; nor is the production and consumption of wealth; nor, finally, the organization of a political whole in the form of a nation.

Political economy, therefore, must not only look backwards to the family, it must look forward to the State and build its science with a view to the higher functions of men as citizens of a free State. It must keep in view still more the absolute goal of human life — which is participation in what is divine forever and ever.

It will happen that any one of these provinces will demand a different treatment when viewed in its relation to the total of human life, from that treatment which it could naturally receive when viewed by itself alone.

If productive industry be regarded as the supreme object and the creation of wealth be alone considered, we shall have the same spectacle that was beheld in the first era of the application of invention to the art of weaving, in the shape of the power loom and the spinning-jenny. We shall see men and women toiling fourteen hours a day in close, ill-ventilated rooms, and dwarfing their bodies and their souls. We shall see children hardly out of infancy working the same hours and under the same terrible conditions as the men and women. The community thus organized is at war with all the other institutions of society.

The State, on the other hand, may neglect the needs of civil society and the family, and devote itself exclusively to the military training of its young men, keeping them in the army through the prime of their lives: preventing seasonable marriages and neglecting the occupations of productive industry.

Even the church, in the too exclusive pursuit of holiness — highest end of life though it be — may encourage the abnegation or the family, civil society and the State — all the secular institutions — by setting up as its ideal of the noblest life of all individuals, celibacy (attacking the family), poverty (condemning the production of wealth), and obedience (to the church authorities instead of the State). The defect of this isolation of man from the secular world is seen in the history of monasticism and hermit life, as illustrated in the Christianity of the Greek Church, as it appeared in the first five centuries.

These reflections on the necessity of studying every phase of society in full view of the whole may seem unnecessary to the novice, but they will justify themselves in the sequel.

The Dismal Science.

The question which we have before us for discussion this morning — that of property — is one that is very complicated; it is hard to seize the idea of property, on account of the one-sided treatment it has received from various schools of political economy.

We need only name the great writers on this science to suggest dismal doctrines which have cast shadows over an entire literature

of economic discussion. Even Adam Smith, venerable name in political economy, isolated the function of wealth-getting from national welfare, and in a reactionary spirit set up principles for absolute ones which serve only for a nation of mere shopkeepers.

Malthus set up a principle of population which has been the Gorgon of social science. Population, he said, increases in geometrical ratio, while the production of food increases only in an arithmetical ratio. Unless immoral or criminal means are taken to check population, it continually presses on the means of subsistence, and squalid poverty is the result.

In spite of the fact that no age of the world can be pointed out in which the limit of production has really been an obstacle to the increase of the population,* this law has been accepted as *a priori* truth.

Still more amazing is the fact in view of the history of production in the past one hundred years. Population has increased unprecedentedly since the epoch of labor-saving machines; but means of subsistence have increased in a far greater ratio than population. And yet this dreadful Jeremiad is chanted in chorus by political economists, and the Gorgon face of inevitable starvation or destruction of the family stares out upon the highway of philanthropy.

Ricardo arrived at an *a priori* theory of rent. Mankind uses the best land first. Woe to the after generations; they till an impoverished soil. In the golden age when land was plentiful, there was no such thing as rent. When poorer soils have to be occupied because all the best land is taken up, then rent is required on the choice lands in proportion to their desirability over the yet unoccupied lands.

Inevitable poverty and misery appear again through this *a priori* vista of Ricardo. It matters not though the facts of history show that the most fertile lands are the last to be occupied, nay, are not occupied yet, even to-day, because human combination and the application of machinery is not able to cope with them. Witness the entire Amazon River basin, two-thirds as large as all Europe,

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*It seems to be the law that education and social refinement gradually diminish reproductive power — the virile forces taking another direction than in increase of the species. If this is so, the over-population of the earth becomes impossible — a lower stage of civilization keeps down its rate of increase by war and its attendant evils, while a higher stage of civilization becomes less productive by the law of nature.

and as yet scarcely any of it subdued for agricultural uses. Its vegetable growth is so luxuriant that all higher animal life is utterly dwarfed by its overpowering presence. Only reptiles and insects or still lower forms of animal life can hold their own against such vegetable life. Mechanical invention will some day tame the Amazon valley, and produce from it ten times as much food for man as is to-day produced on the entire earth.

Thorold Rogers shows us that in England the soil has increased in fertility so that four bushels of wheat are now produced where only one was raised two hundred years ago. Beef cattle now weigh twelve hundred pounds, instead of four hundred pounds as then. A sheep yields seven to nine pounds of wool where it yielded only one pound of very inferior quality ("half hair, half wool".)

Henry George's "Progress and Poverty."

An eloquent and earnest American writer — Henry George — while he repudiates and confutes the Malthusian doctrine of population and subsistence, yet yields assent to the doctrine of Ricardo, and, in fact, produces a new *a priori* theory as a sort of corollary to that famous rent theory, but equally dismal. His discovery is that private property in land is wrong, and that the true and only remedy for poverty and its attendant miseries is the confiscation of private ownership in land and the assumption of all land by the government.

Mr. George writes so clear and convincing a style and is withal so transparently a well-wisher of his race and so endowed with a sense of justice, that his book has had nearly as wide an influence as the books of Malthus and Ricardo — and that influence is still rapidly spreading.

We have indeed been told that many of the leaders in the labor agitations in this country are disciples of this new doctrine. Many scientific thinkers have been led to similar views, moreover, through the influence of Herbert Spencer, who likewise holds that there can be no private ownership of land without essential injustice to mankind.

As this doctrine of Henry George and Herbert Spencer strikes against the right of property in an essential particular, it is evident that our present discussion of the radical grounds of the right of Property and the ownership of Land must deal with it in its details.

Let me give in briefest outline the contents of the book on "Progress and Poverty."

(*a*) The rich are growing richer and the poor are growing poorer. This fact is assumed as a matter which does not require economical statistics for its proof. Everybody knows of some rich men who are increasing in wealth, and likewise of poor men who are growing poorer.

But, I ask, does not everyone know also of rich men who are losing their wealth and of poor men who are gaining in wealth?

(*b*) Without stopping to prove so obvious a proposition as the one first enunciated, Mr. George next unfolds his doctrine that capital and labor are conditioned by private ownership of land in such a manner that all the advance that is made by labor and capital in the way of increased productive power is swallowed up in the form of rent — the income of mere land as such increases at the expense of all that is produced by labor and capital over and above an amount sufficient for the bare subsistence of labor, and for the lowest rate of interest on capital that will induce its employment in producing new wealth. This doctrine is established not by an analysis of the statistics of rent, interest and wages, (the products of land, capital and labor,) but by an *a priori* analysis of the nature of rent, interest and wages. Land has the under hold in the contest and can extort compliance by its ultimatum: "Give me my rent or go away off of all land, if you prefer,"— an ultimatum of a highway robber species —"Your money or your life."

(*c*) The problem thus stated, he proposes its solution. "The persistence of poverty amid advancing wealth," is to be remedied by abolishing private property in land, either by taxing it until its owner cannot afford to keep it, or by some other more direct mode of getting it into the possession of the State. The State should lease it to the individual or the family, after the manner of the ancient communism in land, which prevailed in the primitive germ of civilization, the village community, as in India, Russia, the tribes of Africa, of the ancient Germans.

(*d*) Finally, the effects of this remedy are painted in glowing colors.

"The whole enormous weight of taxation in the form of rent would be lifted from productive industry." "The rise of wages," he says, "(p. 409), the opening of opportunities for all to make

an easy and comfortable living, would at once lessen and would soon eliminate from society the thieves, swindlers and other classes of criminals who spring from the unequal distribution of wealth."

"With the surplus revenue arising from the common property, applied for public benefit," says he, (p. 410), "we could establish public baths, museums, libraries, lecture rooms, music and dancing halls, theatres, universities, technical schools, shooting galleries, play grounds, gymnasiums, etc. Heat, light, and motive power, as well as water, might be conducted through our streets at public expense; our roads be lined with fruit trees; discoverers and inventors rewarded; scientific investigations supported; and in a thousand ways the public revenues made to foster efforts for public benefit."

There is no wonder that a vision of the future like this has powerfully affected the imaginations of such people as could grasp the thought of Mr. George's book. All misery and crime removed and universal comfort prevailing in the home and in the community! No wonder, too, that the kind heart of Mr. George himself swells with the conviction and that his "thought still mounts," in the concluding chapter of the book, to final problems of civilization, and in view of the future an inextinguishable hope is lighted up in his bosom.

But, alas! the question remains: Will the abolition of private property in land lead to all this? Will it not lead rather towards the degeneration of all higher spiritual interests and to the utter ruin of all that has been achieved, even in the realm of productive industry?

Before looking at this question let us ask another one as to the adequacy of the remedy proposed. Is the amount of rent all told sufficient to accomplish a sensible amelioration of the condition of the poor if it were all distributed? The conclusion of Mr. George is reached *a priori*. An examination of the census tables will give us information as to actual quantities and amounts.

How much per day does the laborer produce on an average, and how much does land get of his earnings?

The Income and Rental Value of the United States.

In the United States, according to the census of 1880, the total

amount of all property,* including land and all other property such as permanent improvements in the shape of buildings, machinery, etc., or such as floating capital in the shape of raw material, manufactured products and money amounted to over forty-three billions (thousand millions) of dollars, all told, in the following items:

	Millions of dollars.
Farms,	10,197
Residence and business property,	9,881
Railroads,	5,536
Live stock and farming implements,	2,406
Stock of productions on hand, agricultural and manufacturing,	6,160
Churches, schools, asylums and public buildings,	2,000
Household furniture, etc.,	5,000
Telegraphs, shipping and canals,	419
Mines, quarries, oil wells, and ½ of average product,	781
Bullion,	612
Miscellaneous,	650
Total,	$43,642,000,000

In the above table it is seen that the actual value of the farms is placed at a little above ten billions, while the residence and business property is placed at a little less. There is no clue given in any of the census volumes, as to the relative values of land and of buildings. It would be certain, however, that the land could not exceed in value twenty billions, however small the value set on buildings, as that is the total value of all real estate.

Comparing this table with another giving the assessment for local taxation as, in the aggregate, $16,902,993,543, of which $13,036,766,925, stands for real estate and the rest for personal property, we see that the true value stands to the assessed valuation as 20 to 13. It is stated by Mr. Gannett that in response to inquiries made as to the ratio of assessed value to true value in various parts of the United States, 25,000 replies were received, showing that this ratio varied from 40 to 100 per cent.; the average, however, proved to be 65 per cent.

Fortunately for our inquiry, the State of Massachusetts pub-

* See Vol. VII. p. 10 of U. S. census for 1880. The estimate is by Henry Gannett. See his account of the careful manner in which he obtained the item household furniture, etc., and verified it by another calculation of the average amount of furniture, etc., manufactured, and its average durability.

lishes a document showing the "Aggregates of Polls, Property, Taxes, etc., Assessed May 1, 1886," in which it appears that—

Personal property of the State amounts to	$507,037,749
Buildings, exclusive of land of the State amounts to . .	752,669,001
Land, exclusive of buildings " " " " " . .	587,824,672
Total, ...	$1,847,531,422

The ratio of the value of land to that of buildings in Massachusetts is as 11 to 14 — land being 44 per cent. and buildings 56 per cent. of the total value of real estate.

Strange as it may appear, land seems to be worth less than buildings in all the counties of the State. In Suffolk County (containing Boston), land is 226 millions, and buildings 314 millions. In Barnstable, down on Cape Cod, buildings count 6¼ millions, and land only 3½ millions of dollars. In Berkshire, among the mountains of the west, buildings 15¼ millions, land 12¾ millions. In Hampshire and Franklin, with small towns and the fertile lands of the Connecticut River Valley, buildings count 11 and 7½ millions, while land counts 9 and 6¾ millions respectively.

In the assessments of certain towns, however, the land is valued at a higher rate than the buildings.

Connecticut and Rhode Island, on account of their large manufacturing interests, New York, Pennsylvania and New Jersey, for the same reason, may be safely counted as having an equal or even larger proportion of property in buildings. In fact the ratio may be assumed to hold good for the entire Eastern and Middle sections of the country; and this would give for assessed valuation, 3766 millions of dollars for buildings, and 2948 millions for land alone.

In the southern and western sections of the country, it may be assumed as a reasonable estimate that land and buildings are reversed in the ratio, or making larger allowance, say as 60 to 40, and that the ratio of lands to buildings in the whole country stands substantially as follows:

	Ratio of buildings to land.	Buildings. Millions.	Land. Millions.
Eastern and Middle, . . .	56–44	$3766	$2948
Southern Section, . . .	40–60	671	1000
Western States and Territories,	40–60	1857	2787
Total, ...		6294	6735

Estimating the assessed valuation at 65 per cent. of true valuation, the total land value of the United States, counting building lots and farms, amounted in 1880 to about ten billions of dollars, perhaps three per cent. more or three per cent. less. Mulhall, in his Dictionary of Statistics (p. 469), estimates land and forest in the United States at $10,750,000,000, which is a little more than my estimate. (He gives the land of France at 14,650 million dollars; of Germany at 12,100 millions; Russia at 9,700 millions; of the United Kingdom at 9,400 million dollars.)

Counting rent at four per cent. on the actual valuation, (which would be 6.1 per cent. on assessed value), we have the sum of $400,000,000 as the total rental of land in the United States. Four per cent. is probably a larger average rent than land brings in, because land-owners raise prices on land when it produces more than three per cent. after paying taxes.

For a population of fifty millions the ground rent amounts to eight dollars apiece per year, or $2\frac{1}{5}$ cents per day. This result must be surprising to all who have been interested in Mr. George's explanation of Progress and Poverty.

To be sure, this amount would be a considerable item were the income very small — say eight or ten or even fifteen cents. For, in that case, one-fourth or one-seventh of the income would go for ground rent. But the total average income of the population of the United States is forty cents per day apiece, or $146 per year. Mr. Edward Atkinson, in his "Distribution of Products," (New York, G. P. Putnam's Sons, 1885,) a valuable contribution to the intelligent discussion of economic problems, estimates the average annual income at 55 cents per day. Mr. Atkinson's method is a correct one. He estimates (see p. 129) the wheat crop not exported as converted into bread, three-fourths of the corn crop as converted into meat, and applies average retail prices — (this counts in the aggregate labor of farmer, butcher, carrier, and domestic help of the consumer.) Next, he estimates the textile product not exported as manufactured and made into clothing, and calculates its value at average retail prices, as before. Thirdly, he reckons the products of mines and forests in the same way in their final form, distributed for consumption; finally, he estimates the value of imports made ready and distributed for consumption. The total labor of the entire fifty millions, whether in the shop, the field or in the house, is thus obtained.

Mr. Atkinson does not give us the items thus carried out, but prints a letter from Mr. Joseph Nimmo, Chief of the Bureau of Statistics, who estimates as follows:

The total value of the annual products of the United States:

Agriculture,	$3,600,000,000
Manufactures,	5,369,579,191
Illuminating Gas, (partly estimated,)	30,000,000
Mining,	236,275,408
Forestry, (partly estimated,)	455,000,000
Fisheries,	43,046,053
Meat production and wool clip on ranches, (estimated,)	40,000,000
Petroleum, manufactured product,	44,000,000
Total, (materials out,)	$9,817,900,652

The estimate here given is evidently intended as the gross annual product without deducting materials used in manufactures, or other duplications of products, notwithstanding, the parenthesis after "Total" says "materials out." In the census volume giving the statistics of manufactures, for example, the materials used are given at $3,396,823,549 and deducted from the $5,369,579,191, leaving $1,972,755,542 as the total net product of manufactures (see p. x. of that volume). The "materials used" include products counted already in the agricultural items and also a duplication of items counted as products of manufacture (cotton and wool, for example, appearing as such, and also as cloth, and again as clothing.)

Again, as the meat product is counted, the hay crop ($409,505,783), and three-fourths of the corn crop (equal to $521,000,000), should also be deducted — these three deductions reducing the total value of the annual product to $5,490,571,320. Add to this (deducting materials) the household manufactures, home-made clothing, etc., ($250,000,000), the buildings of all kinds erected within the year, ($100,000,000), the miles of railroad added ($200,000,000); amount consumed on the farm, products of forests, farm and kitchen gardens, etc., and not reckoned in the census ($750,000,000); freight transportation on railroads, shipping and canals—as adding to the final value of products—($516,000,000), and a total of $7,300,000,000* is found without reckoning the

*Mr. Mulhall, in his "History of Prices," estimates the annual product of the United States at $7,100,000,000.

household work of final preparation of food, etc., for consumption. This gives exactly 40 cents per day to each inhabitant. Mr. Atkinson estimates the consumption on farms at one billion dollars, or $40 a year for each member of the farmers' families — an estimate seemingly too large. His estimate of the value of the final processes of preparation for consumption would be 2,500 millions, perhaps not too much for the 20 million domestic workers.

The average ground rent, then, amounts to only one-eighteenth of the average annual production (or one twenty-fifth according to Mr. Atkinson's estimate). If this sum should be regarded as making any great difference in the wages of the poor, it is certain that a grain of thrift or economy will much more than compensate for it. This sum is only a trifle more than the amount of the local taxation (State, County, town and district), while if the national taxation were likewise placed upon land values instead of collected by tariffs and excises it would swell the ground rent to the sum of 7½ per cent. per annum on the true valuation. This result would make it impossible for farmers in the eastern part of the United States to get a living by raising staple crops, as we shall see later on when we discuss Mr. George's plan for collecting all revenues from land directly.

For a country where the rents may fairly be supposed to be exorbitant most persons would select the United Kingdom of Great Britain and Ireland. In that country there prevail enormous inequalities of land ownership. They have arisen partly by military conquest and partly by a survival of the old system of tenure which prevailed in the village community, an institution which underlies all present civilization.

Primogeniture implies the theory that there is not absolute ownership in land, but a sort of life-estate only. Its effects are seen in the massing of large possessions in few hands.

But even in the United Kingdom land does not exact a very large average amount of rent per inhabitant — only 2½ cents per day — only a slightly larger sum than in the United States. Meanwhile the production in Great Britain has become so large that land values are dwarfed in comparison. The relative increase of land in price has been twenty-three per cent. in thirty years.

1850	1860	1870	1880
100	104	116	123

Houses, on the other hand, have, in the meantime, gained 138 per cent. in aggregate value.

1850	1860	1870	1880
100	130	164	238

The aggregate incomes from manufactures, mercantile employments and professions have more than doubled.

1850	1860	1870	1880
100	125	174	228

In fact, land in 1801 was assessed at 990 millions sterling and in 1882 at only 1880 millions sterling, having scarcely doubled in eighty years; while the value of houses had increased from 306 millions to 2280 millions sterling, or to more than seven times the amount. The miscellaneous items of wealth in Great Britain had increased in the same eighty years from 734 millions to 4560 millions.* Land, it would seem, in Great Britain, grows relatively a less important item in national wealth, and this proves again that Mr. George has been mistaken in his solution of the problem. And this would be true were rent twice as large a sum in the aggregate,—were it, for instance, four cents a day instead of two cents, it would be no insupportable burden with our income of forty cents. †

*Mulhall, Hist. Prices, p. 111. This work of Mr. Mulhall and the work of Mr. Atkinson, above referred to, are commended to the general reader as the most useful books on this subject.

† Mr. George in "Progress and Poverty" (p. 260) refers to Professor Fawcett's estimate of the "Capitalized rental value of the Land in England" as £4,500,000,000, over twenty thousand million dollars. This estimate must include both land and buildings and is very large even for the entire United Kingdom. Every critical student of this subject knows how difficult it is to reconcile the conflicting statements regarding the items of English wealth. Even Mulhall, who is an industrious compiler and who has become quite sagacious in his estimates, through much study of the comparative statistics of the twenty first nations of modern times, is occasionally confusing in his technical terms. In his "History of Prices since 1850," (p. 84), he gives the total "agricultural capital in land" at 1737 millions sterling for the United Kingdom, evidently meaning *farms, farm buildings, and fences* by the term "land;" on page 111 he gives the total "wealth in lands" at 1880 millions sterling for the United Kingdom, meaning *land used for farms and for building lots* by the term "land" in this place, for he gives *houses* at 2280 millions sterling and *sundries* at 4560 millions sterling in the same table. The one authority that commands universal respect, Robert Giffen, head of the Statistical Department of the London Board of Trade, estimates the total land value of the United Kingdom at 2007 millions sterling and the buildings at 1420 millions sterling, for 1875. This would give a total of about $17,000,000,000 for all real estate except the canals, railroads, mines, iron works, and gas works, which amount in the aggregate to 817 millions sterling additional, swelling the total real estate to 4244 millions sterling, or a little less than

The Cause of Mr. George's Error.

If one goes carefully over the arguments of Mr. George in the first half of his "Progress and Poverty," he discovers that there is no account made of the difference between land used for agriculture and land used for building sites. Land for building purposes is prevented from demanding high prices by competition with suburban agricultural lands. The rapid transit of the railroad produces this competition, offering to the laborer in the city a cheap building lot carved out of a country farm, in a healthful locality. On the other hand, capital in the form of cheap transportation keeps down the price of farming land on the Atlantic coast by bringing into competition with it the border lands of the west. Mr. Atkinson has shown us that one day's work of the eastern laborer will pay for the transportation from the far west of all the meat and bread he consumes in one year. Under this competition, we find a general decline in the value of farms in the older sections of the United States, in those localities removed at a distance of three miles or more from a railroad station. Capital has its hand on the throat of land property, contrary to the theory of Mr. George, who supposes that land has the advantage over capital and labor.‡

Professor Fawcett's estimate for the land alone. The land alone according to Mr. Giffen's estimate, (adding 13 millions sterling for the land in the items excepted) would amount to 2020 millions sterling or about 10 billions of dollars. (The total cost of land and buildings used for railroads in the United States is only 103 millions, about one-fiftieth of a total expense of over 5000 millions of dollars.) In 1876 a parliamentary commission published a "blue book" in 2 vols. entitled "Land owners in England and Wales: Return of the owners of Land of one acre and upwards in England and Wales exclusive of the Metropolis, with their names, addresses, extent of lands and estimated gross rental." The items collected were for the year 1873 and gave as the "estimated rental" of England and Wales, (with London omitted) the sum of £99,352,301. Adding to this the rental for Scotland and Ireland a total of £131,468,758 is found. Call this sum 3 per cent. on the "capitalized rental value of the land" and that value is found to be £4,382,291,933 for the United Kingdom. This is very nearly what Professor Fawcett gives for England alone. It is clear enough then that the "gross estimated rental" included the rental for buildings and all manner of improvements as well as land. Schedule A. of the Income Tax in 1875 showed that the total income from lands and houses to their owners was £132,720,684, almost exactly the same item as the "gross estimated rental," given by the commission. (see Encyc. Brit. article England, pp. 223, 257 and 258). One must conclude that no statistics are given which do not include some buildings with the land. Mulhall's estimate at £1,880,000,000 is taken above and at 3 per cent. the rent would ave age about 2 cents per day—or at 4 per cent. it would average about 3 cents per day per inhabitant. At Mr. Giffen's estimate which is doubtless too liberal, the amount per day must be increased by one-fifth of a cent.

‡Capital frees labor from the tyranny of land, and the present ratio of land to the total wealth of the United States is about 1 in 4½. In Great Britain and Ireland it

Whatever may be the solution of the phenomenon of poverty persisting amid growing wealth, it is clear that private property in land is not the cause of it. But we may well inquire at this point for the more exact statistics of wealth and poverty. How many are rich? what amount of wealth have they? How much do the poor receive of the productions of their labor?

Do the Rich Grow Richer, the Poor Poorer?

It was Karl Marx who announced the pessimistic view regarding modern industrial society: "The rich are growing richer and fewer; and the poor are growing poorer and more numerous; the middle class are growing poorer and fewer." Mr. George seems to think that private property in land necessarily produces this state of affairs. But in Great Britain, where Marx spent the last thirty-three years of his life, statistics prove that the generalization is an error.

In Great Britain, the Income Tax, under Schedule D, furnishes statistics regarding the number of persons, companies and corporations in mercantile, manufacturing or professional employments, whose annual incomes exceed £150 (or say $750). Schedule A gives like statistics regarding incomes from ownership of lands, tenements and tithes; Schedule B regarding incomes from occupation of lands and tenements. In Schedule D, in 1851, incomes from public companies, besides individuals, engaged in manufactures and trading, etc., were included; and in 1867 these companies were increased by transferring to them from Schedule A the companies managing mines, quarries, iron works, gas works, railroads, water works, canals, etc., but in 1879-80 these latter companies were excluded, leaving only companies of tradesmen, textile manufacturers, and similar, besides individuals. But the vast mass of incomes reported are those of private individuals, and hence the numbers may be taken as directly proportional to the increase or decrease of individual incomes.§

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forms one-fifth of the total wealth; it is 1880 millions sterling, with an annual rental of £65,442,000 (or 3½ per cent. on actual value). The total wealth of the United Kingdom is £8,720 millions. See Mulhall's Dictionary of Statistics, pp. 266, 268 and 469. See also the cautious estimates of Robert Giffen, head of the Statistical Department of the Board of Trade, in an address read before the London Statistical Society, January 15, 1878—published in the journal of the Statistical Society, 1878.

§See Leoni Levi's "Wages and Earnings of the Working Classes," London: John Murray, 1885, pp. 48 and 58. Compare with this Robert Giffen's "The Progress of the Working Classes," *Economic Tracts*, No. XVI., New York.

Great Britain.	1850-51. Number.	1879-80. Number.
£150 to 300	68,864	241,568
300 to 500	21,367	61,615
500 to 1,000	12,258	29,839
1,000 to 2,000	4,708	11,495
2,000 to 3,000	1,342	3,474
3,000 to 10,000	1,551	4,065
10,000 to 50,000	312	910
50,000 and over.	26	77
Totals,	144,322	398,835
Average income,	470	424

In the above table we see by the increase of incomes in 1879-80 that there are now 3½ times as many in the lowest rank of the middle class as in 1850 (incomes $750 to $1,500); 3 times as many in the next rank (incomes $1,500 to $2,500); 2½ times as many with incomes from $2,500 to $5,000; 2½ times as many with incomes from $5,000 to $10,000; 2¾ times as many from $10,000 to $15,000, meanwhile the population has increased only 33 per cent.

The middle class (incomes $750 to $5,000) has trebled — 102,489 (in 1850) to 333,022 (in 1880). The moderately wealthy class (incomes $5,000 to $15,000) has more than doubled (6,050 to 14,969).

The laboring class, whose annual incomes are less than $750, averaged in 1850-51, £53 ($265); in 1881 the average had risen to £83 ($415).* Very many, 180,000 or more, had ascended from the poor class into the class paying an income tax. Mulhall† gives the number in each million of inhabitants.

	£200—5000.	Over £5000.
1812	3280	34
1850	3059	56
1860	2896	53
1870	4139	67
1880	6225	88

In America we have no complete returns, but we can prove the same results by the increase in wages.

In cotton manufacturing, the wages of operatives in Massachusetts in 1840 were $175 a year, with 13 hours of labor; in 1883,

*Leoni Levi, ibid, p. 53.

†Mulhall: Dict. Statist., p. 28. These figures show not only the incomes of Schedule D, but also of Schedules A and B.

wages $287, hours of labor, 11. In iron manufacturing, wages in Pennsylvania, 1860-64, $353 per year; in 1875–79, $486.* On this topic the investigations of Hon. Carroll D. Wright, Chief of the Bureau of Statistics of Labor for Massachusetts, and recently called to the office of United States Commissioner of Labor, are of the highest value, and suffice to prove that the wages of laborers in Massachusetts are at present 42 per cent. higher than in Great Britain†, as regards power of purchasing comforts, and that they have increased in amount over what they were, to such an extent that the laborer is constantly moving away from that "minimum which will give but a bare living."

It is understood that all statistics regarding wages must be compared with tables of "price levels," showing the cost of necessary articles of food and clothing, etc.‡

According to the statistics of price-levels§ grain counts for 25 per cent. of the aggregate consumption; meat for 16; iron and steel wares for 7; dairy products for 6½; cotton goods for 6; lumber for 5; woollen goods for 4 (and other items for less than these). That is to say: the chief articles that affect the cost of living rank according to these numbers in their power to raise or lower said cost of living. In comparing the actual average cost of living in one epoch with that in another, reference must be had to these ratios. It will not do to count, for example, meat, which is 16 per cent., against woollen goods, which amount to only 4 per cent. of the value of products of human industry. Taking the twenty items that comprise 90 per cent. of all human industries, the result is found that prices of the period from 1841-50 are over 5 per cent. higher than those of 1881-84.

Meat has risen but grain has fallen. Agricultural products average somewhat higher prices. Manufactures are much lower.

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*"The Distribution of Products," see Mr. Atkinson's instructive exhibits, on pp. 355 and 360.

†See Mass. Report on the Statistics of Labor, for 1884, pp. 432, 469. See also First Report of U. S. Commissioner of Labor, 1886, pp. 411, 466, on cost of living.

‡Thorold Rogers' "Six Centuries of Work and Wages," is a storehouse of information regarding wages and their purchasing prices. Though it shows vast original research, and contains valuable general reflections, perhaps it fails to connect properly the history of economical changes with their causes as found in political revolutions and continental wars.

§See pages 8, 9, 179, 117, 122 and 177 and 178 of Mulhall's Hist. of Prices for the important method of ascertaining the price-level by the total volume of trade instead of by index numbers.

The increase of steam power all over the world and especially in the United States continually works to make prices lower and wages higher.

Steam engines* in Great Britain	amount to	9,740,000,000	horse power.
" " " Continent of Europe	" "	14,820,000,000	" "
" " " United States,	" "	10,540,000,000	" "

It is evident that the conquest of nature by labor-saving machinery continually increases the amount of production per inhabitant, provided the distribution is properly effected.†

The average daily production of each inhabitant of the United States was found to be 40 cents on the basis of 7300 million dollars total annual product. The average daily production of an inhabitant of the British United Kingdom is 38 cents on a basis of one thousand million sterling total annual product. But, at 1247 millions sterling,‡ the figures usually given for that product, it is 49 cents a day, making by far the largest average income, per inhabitant, in the world.

The total income of Russia is 4240 million dollars, and to each individual this gives 14 cents per day. For the agricultural population north of the black soil belt the earning is barely 4 cents per day on an average through the year, for each inhabitant.

The production of the United States has risen to 40 cents per day for each inhabitant from an average of 25 cents in 1850.§

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*Mulhall's Estimate for 1885—p. 53 *Hist. Prices.*

†"It is easy to prove that the great movement of modern days, the employment of mechanical in the place of human forces, operates ultimately in cheapening produce and in bettering the wages of labor." Thorold Rogers' "Six Centuries of Wages," p. 496.

‡Leone Levi (loc. cit. p. 7) speaks of £1,274 millions as the *gross* income, and intimates that there is duplication of items in that estimate. "The net income of the nation is probably less than £1,000,000,000 per annum." Mulhall, however, gives £1,247,000,000, as the net income.

§The estimate here made for 1850 compared with that for 1880, given in cents per day, is as follows:

	1880.	1850.
Agriculture (including live stock),	18 cents	12 cents
Manufactures as reported,	10.8 "	5.8 "
From transportation in enhanced value of products,	3.7 "	1.2 "
Agricultural product consumed in household and not reported,	4.1 "	3.2 "
Household manufactures,	1.4 "	1.8 "
Building of railroads and houses, mining, fisheries and miscellaneous,	2. "	1. "
Total,	40 cents	25 cents.

Since the rental of the land of the country in 1850 (estimating the land at the low estimate of 3 billion dollars), at four per cent. amounted to $1\frac{1}{2}$ cents (1.43 cents) per day to each inhabitant, it is seen that while the income has increased 15 cents per day the average rental per inhabitant has increased in thirty years only $\frac{3}{4}$ cents per day.

DOES THE WAGE-EARNER GET HIS SHARE?

At 40 cents per day and $146 per year for each inhabitant it follows that each person following a gainful occupation (since according to the census each person enrolled in such occupation supports $2\frac{9}{10}$ persons on an average), should earn $1.35 per day or $34.80 per month, provided that all production was distributed pro rata to the wage-earners and that nothing whatever went to capital as interest, and nothing to land for rent, nor anything for supervision or superior skill. This would be the basis of distribution according to Proudhon, the Socialist. Mr. George is not a Socialist, but he believes that labor is robbed of a portion of its full worth. As this view has been again and again asserted it has come to be believed by large numbers among the skilled laborers in the mechanical and manufacturing industries. It will surprise this class of wage-earners to see that all persons receiving over $34.80 per month are receiving more than they could possibly receive were the total annual product divided equally among those occupied in lucrative occupations, without allowing anything to capital, or land, or supervision. Inasmuch as skilled labor receives as wages from two to four dollars per day in most of the States,* while common laborers in manufacturing establishments receive $1.25 to $1.50, the wages of labor in the mechanical and manufacturing industries is already above the average received by all, rich and poor, to the extent of from 15 cents to $2.65 per day. Whereas, $417.60 per annum should be the average pro rata if capital, and labor and supervision were to go unpaid, teamsters in Illinois get $459.59; tailors, $542.94; stone masons, $467.21; printers, $654, etc., according to investigations of the Illinois Bureau of Labor Statistics.†

*See third biennial report of the Bureau of Labor Statistics for Illinois (1884) by Mr. John S. Lord, Secretary; where $2.12½ is the average given for all skilled mechanics. 766 establishments in Illinois pay $2.50 and over; 1400 establishments out of 1650 from which returns were obtained, pay $2.00 and over.

†See pp. 165-254 Report for 1884. See also Appendix A, pp. 295-410 of the Report of the U. S. Commissioner of Labor for 1886.

If some persons get more than the average sum of $34.80 per month it is clear that others must get less. What laborers get less than the average annual product? It is easy to reply: It is the farm laborer, who gets only $22.29, without board, as the average found by averaging the rates paid in the several States* and much less than that sum, averaging by number of laborers.

The fact seems forced upon us by these statistics that the workingmen engaged in manufacturing mechanical products as well as in trade and transportation, have, by their organization and persistent agitation for higher wages succeeded in obtaining a larger share of the annual production, leaving the farming population with smaller wages averaging about $\frac{3}{5}$ of the wages paid to those engaged in manufacturing, mining and transportation.†

The Results of Thrift and Economy.

Having been for some time comtemplating the spectacle of progress in population, in facilities for locomotion and communication, many people have come to believe that the average annual product must have increased so much that each inhabitant can live not merely in comfort but in actual luxury, if he receives his full share. But while we see multitudes of individuals around us rise from poverty to affluence by energy and economy practised for twenty years, yet the great mass of the population does not practice economy although it exerts much energy. The progress of the entire nation in productive power is accordingly much slower. Thrift and economy means: Deny yourself superfluous articles of food, drink and clothing and invest their cost in durable articles, and especially in capital which itself aids in producing.

At first thought it would seem that economy is a virtue which accomplishes most when it is scarcest — that, in short, if all were economical each would save less than a thrifty person in a community of spendthrifts. But it may be seen that if a whole community consumed less intoxicating liquor but used the labor

*See statistical table of Mr. J. R. Dodge, of the National Agricultural Bureau, printed by Mr. Atkinson (p. 111). If it is true, as Mr. A. supposes, that farm laborers consume $40 per annum, $3.33 per month, or 11 cents per day of produce not counted their wages will be equivalent to $25.62 per month.

†This increase of wages on the part of the trades and manufacturing industries, of course, is not at the expense of the farmer, for his wages, too, have increased by reason of a home market and cheap manufactures. But his income has not increased so fast as that of the manufacturing laborer.

required to pay for it in making better buildings, or in bringing land under a high state of cultivation, or in perfecting means of transportation, that wealth would be saved permanently instead of being consumed. So, too, it follows that the consumption of expensive (and often deleterious) food or the wearing of expensive and showy clothing is a loss in permanent wealth entirely unnecessary because its cost might be put into permanent improvements which would aid in production. Labor, too, by this process, would be diverted more and more from the production of articles of mere show or the gratification of sensuous appetite and devoted to the production of permanent wealth. The more production of articles of enduring usefulness, the greater the skill and productive capacity in those lines, and hence the easier it becomes for each inhabitant to accumulate such articles of permanent wealth. Hence, one economical person benefits another, and the average accumulating power of each individual in a thrifty community is greater than that of a single thrifty person in a community of spendthrifts.

Not Productive Power Enough for Luxury.

But as yet we produce as a nation only 40 cents daily per inhabitant, and so much is certainly not enough to supply all the desirable elements of necessary food, clothing, comfort and culture, not to speak of articles of luxury. Certainly, the only remedy for this is increased production by labor-saving machinery. Double the number of steam-engines and set them to work producing profitably by the aid of inventions in machinery, and the force will be an addition of 11,000,000 horses or of 110,000,000 able-bodied men, to our industries. This would so increase the product of articles of wealth and cheapen their price that the day's earnings of each inhabitant would purchase more than one dollar can at present. The 40 cents daily production now purchases more than 42 cents did in 1850.*

The conclusion is, therefore, that each person ought to practice economy, not only as a duty to himself and family, but as a duty that he owes to the community. It is clear enough, too, that it is

*See Mulhall's Hist. Prices. p. 117—showing price level of the twenty items that comprise ninety per cent. of all human industries. See also p. 177 where it appears that one dollar will buy the same amount of agricultural production that $1.51 could buy in the decade 1811-1820, and the same amount of manufactured products now that $2.41 did then.

the accumulated wealth that renders possible a large public revenue and renders possible the support of unfortunate or profligate people who become paupers.

Great Britain and Ireland supported, in whole or in part, 1,308,000 paupers in 1850 (one in twenty-one of the population!); in 1860, only 973,000; but in 1870, 1,279,000 (the American war having raised prices of food and other items 52 per cent. during the years 1863–65 and caused the incomes of half a million to prove insufficient for support); in 1880 the total number of paupers had fallen to 1,016,000 (803,000 in England and Wales). In the terrible period of the final struggle with Napoleon, the national wealth enabled Great Britain to support its immense number of paupers, but at a yearly cost of $3\frac{1}{4}$ per cent. of the entire annual product of the nation. (The poor-rates amounted to nearly one per cent. in 1870 and to 0.84 per cent. in 1880.)

To see in what way national wealth acts to support those who are so unfortunate as to require aid, consider the case of Russia, where the total annual product is only 14 cents per inhabitant and less than half as much in the agricultural districts where there is annually much suffering.* This suffering is not alleviated as with us by the distribution of help at public cost. If there were wealthy people living among the rural population their accumulations would be drawn upon to support the starving.

But, with the doctrine that accumulation is robbery (a doctrine proclaimed by Proudhon and many other Socialists), it is evident that each person is taught the lesson of improvidence. Each should squander his earnings as fast as received. Squalor and misery must come to a people who adopt this pernicious doctrine.

The leaders of labor-unions have to see to it that there is enlightenment in regard to the total amount of wealth and to its

*"The crops in Russia are, however, very unequally distributed. In an average year there are 8 governments which are some 6,930,000 quarters (say 3,500,000 bushels) short of their requirements, 35 of which have an excess of 33,770,000 quarters (17 million bushels), and 17 of which have neither excess nor deficiency. The export of corn (grain) from Russia is steadily increasing, having risen from 6,560,000 (3,280,000 bushels), in 1856–1860 to an average of 23,700,000 quarters (11,850,000 bushels) in 1876–83 and of 26,623,700 quarters in 1884. This increase does not prove, however an excess of corn (grain), for even when one-third of Russia was famine-stricken during the last years of scarcity, the export trade did not decline; even Samara exported during the last famine there, the peasants being compelled to sell their corn in autumn to pay their taxes. Scarcity is quite usual, the food supply of some ten provinces being exhausted every year by the end of the Spring. Orach and even bark are then mixed with flour for making bread."—Encyclopædia Britannica, article on "*Russia*." See also D. Mackenzie Wallace on *Russia*, chapter VII.

manner of distribution. This would prevent a large part of the population from supposing that their shares would be increased if there was a more equable distribution of products. We have seen that all persons getting over $34.80 per month are getting more than the total amount of annual production would give if divided among the 17 millions of wage-earners, equally — the farmers getting less than the average product, while the workers in the mechanic arts and trades get more, as already shown.

Readjustment of Vocations.

Invention makes obsolete the skill of the previous generations, and the people of the feeblest intellect, not being able to readjust their vocations and to learn new trades, are not able to work at sufficiently remunerative employments. They must become paupers. They must receive help from the others, from relatives, from friends, or from the State. Doubtless there is room for indefinite improvement in regard to humane methods of treating this class of our population. But to suggest that we change our whole form of civilization, and all become paupers, in order to remove the difference between the highest and lowest of our population,—that is no solution of the difficulty.

Our form of civilization is calculated to develope as much as possible the individual self-activity, and this is the goal of all civilization. To return to the old village community is to retrograde to the level of society just one remove from barbarism. The Russian "Mir" shows us what that would be; to earn from four to six cents per day, and to wear one suit of sheepskin clothing for twelve years, night and day; to have little domestic and foreign commerce;* to have no career for the individual — that would never again answer for the race we belong to. On the contrary we aspire to a missionary career, teaching all nations to be self-active and to conquer the earth by industry, aided by labor-saving machinery.

"There are no paupers in Russia," says Laveleye. But he means only that there are no poor rates and no alms-houses in which to support paupers. For there are, as we have seen, sixty-three millions of peasants of so small productive power, that whole provinces suffer during the last two months of winter for

*Mulhall, *Hist. Prices*: p. 34: The foreign commerce of Great Britain was $95 per inhabitant for the year 1884; that of Russia, $5.75.

the want of even the plainest food. Our sense of humanity would distribute alms to such sufferers, and we allow 22 cents a day even for paupers; the Russian is content with his four cents' worth of food per day, and does not starve until that fails.*

Obviously human destiny points towards the realization of the possibilities of all men in each man. Each must contribute the sum of his experience, his successes and failures, the net result of his life experiment to the race, and in return re-

*I allude to Russia often in this paper because it is in that country that we find a practical type of socialism still existing. In Russia the village community still prevails. Laveleye has shown us (in his "Primitive Property") that this is one of the stages of development in the political history of all peoples who have advanced to civilization. There are several stages below it—the tribal life, subsisting by hunting, the roving nomads, that subsist by grazing, the migrating agricultural tribe, that burns a new forest to prepare its grain field, and after three or four crops moves on to a new section and burns another forest. Russian civilization had advanced to this form of migratory agriculture, when the Czar, in 1601, fixed the peasants to the soil, establishing serfdom and replacing the migratory agriculture by the next higher form, the three-fold rotation of crops and the village community. In our time (1861) we have seen the emancipation of the serfs from the feudal system under which a long process of education had gone on that eradicated the nomad spirit from the Russian mind. But the village community (the "Mir") still remains in the rural districts, although the wise policy of the government has been to introduce urban life and the new status of free labor from western Europe. Accordingly labor-saving machinery and railroads have been introduced, and skilled labor has been imported into towns. Under this influence Russia has advanced to a daily production equal to 14 cents per inhabitant, although the 63 millions of peasants produce much less and have not yet advanced to the degree of wealth and luxury that wears cloth for clothing. A suit of sheepskin that lasts for a dozen years and is worn night and day is used instead of cloth. With the slow development of individuality, and the conservatism of the village community, nine-tenths of human possibility is necessarily wasted.

The enterprising spirit where it develops is repressed and turns into rebellion against the patriarchal authority vested in the starosta, or village elder, by the village assemblies. The consequence is that the strongest individuality is threatened with conscription into the army, or even with exile to the Siberian mines. This waste of enterprising talent produces the backward condition of an immense population. The Russian has good material in him for the highest culture, only the survival of a crude social organization holds him back. But the brightest intellects—the individualized elements among the population—thus become restive under the patriarchal rule of the village community. In the army they are reduced to machines by its discipline and its habits of indolence. See D. Mackenzie Wallace's *Russia*. Wallace gives a "budget," or statement of family expenses for one year (p. 116) of a fisherman's family, consisting of two able-bodied men, one boy and two women.

Revenue.		*Expenses.*	
Game, fish, caviar, timber, wood,	$61 00	Rye meal,	$35 00
		Taxes,	11 00
		Clothing and boots,	12 50
		Fishing tackle and ammunition,	2 50
			$61 00

After deducting taxes, each of the five persons has $10.00 per year or three cents per day!

ceive from the race the sum total of its wisdom aggregated into principles. Each thus contributes a finite product, but receives back an infinite. Since this result can be attained only by developing the individual to his highest potency, it follows that education and culture are demanded for each individual as the supreme condition of his highest usefulness, whether as producing material products or as communicating to one's fellow-men the net results of the experience of life, or, on the other hand, for the participation in the life of the whole.* Hence it is that the part of the civilized world that has emerged, or is on the way of emerging, from the village community and the succeeding stages of the manor and the caste system of labor, adopts a system of common schools open to all. After the Crimean war the government of the Czar perceived clearly that Russia could not cope with western Europe without adopting its system of free individuality, and therefore it began a radical change by emancipation of the serfs and a more active importation of industries. After the Franco-Prussian war, western and southern Europe perceived another step indispensable — popular education — and it is now fully inaugurated. With culture in general studies, — language, mathematics, science, — the inventive power of the individual increases and the industries undergo a gradual or even a rapid metamorphosis in the direction of the substitution of machinery for human muscle, and the transformation of the hand laborer into a brain power that directs and guides the machine which does the drudgery.

Hence a constant readjustment of vocations becomes necessary, and all laborers who are mere "hands," work at a continually growing disadvantage, in comparison with those who use machinery, a fact that leads Mr. George to speak of the new forces of material progress as "a wedge that presses down the lowest class, while it raises the higher classes." Stated correctly, it elevates and emancipates all educated people but leaves the uneducated laborer where he was, unless he is capable of doing something that a machine cannot do, i. e. some sort of skilled labor. To be able to do only by hand what a machine can do, is to be a pauper.† To the

*Think, for instance, of the instrumentality for this participation, the morning newspaper, in which each individual gets a glimpse of the life of the world every day.

†One thinks of the typical case of the poor widow with a large family of young children, living in a garret, and trying to gain a living by sewing 16 to 18 hours per

credit, however, of the industrial civilizations they support their paupers comfortably — giving them food, clothing and shelter to the amount of 22 cents or even 40 cents a day.

Too Many Agriculturists.

Universal education enables all to make a good living. But in America there are too many people living directly off the land — more than a due proportion of agriculturists, considering the producing power of our agriculture and the increasing use of machinery. Hence, there is a continual pressure of the agricultural population upon the mechanic and manufacturing trades; the enterprising sons of farmers wish an opportunity to make the higher wages given to mechanics and tradesmen. This tendency to increase the number of artisans constantly works against the efforts of skilled labor in the trades to increase wages, and produces often unlawful efforts on the part of organized unions of laborers to limit the number of apprentices and to exclude the farmers and common laborers applying for admission. It is not, perhaps, a conscious selfishness, but it is really a very hard species of selfishness, after all. Otherwise benevolent and kind-hearted mechanics and manufacturing people, under the influence of abstract theories — such as "the iron law of wages"‡ — are sometimes led to do violence against the plainest rights of the laborer in a free country — the right to contract his labor freely

day, sickness and starvation being the result. This story is always heart-rending. But it is not caused by the "grinding extortions of the proprietor of the clothing factory," any more than by Elias Howe, the inventor of the sewing machine which cheapens the cost of clothing, or than by common school education which has increased the resources of labor, by adding brains to mere hands. There is no other way than to organize public and private help for such cases. A feeble woman was never better able to provide bread for a large family of young children than just now. But she ought never to be permitted to do this. This is a matter of charity that the State should look to with the aid of all citizens. As productive power increases it will doubtless become easier for a feeble woman to support herself and others, if she possesses education. But the progress in production makes at its present speed only an advance of 60 per cent. in thirty years.

‡ "In all kinds of work," says Turgot, "it must and does come to pass that a workman's wages are limited to what is needful for his subsistence." Laveleye explains that "less than this starves the workman and reduces the number of workmen, and the fewer the workmen the higher the wages. While if he gets more, easier circumstances cause more rapid increase of population and a consequent return of wages to their minimum." This is called by Lasalle "The Iron Law of Wages." This law, like all other varieties of the Malthusian law, is sheer *a priori* and pure fiction. There is no such law of more rapid increase of population among the well-to-do people, but quite the contrary.

and the right to security of life and limb while he peacefully pursues his chosen vocation.

According to Laveleye (Polit. Econ. Eng. tr. p. 64) there are five freedoms that belong to labor. "Guided by self-interest where he has any light, man will devote himself to the most profitable form of labor. It follows that the more labor is free the more it will be productive.

Freedom of labor comprises,

1. Freedom to choose a trade. Monopolies and guilds violate this freedom.

2. Freedom to labor wherever one pleases; no privileges for certain districts; freedom in the choice of a dwelling.

3. Freedom of partnership.

4. Freedom to buy and sell to the best advantage. Freedom of trade.

5. Freedom to lend money; abolition of the laws against usury."

This free individuality of labor cannot be secured in our modern society without the principle of absolute property in land. Any other form of tenure would be a lapse into a lower stage of civilization—the manorial system or the village community—in which the freedom of each person depends on his neighbor's tolerance without the possibility of protection on the part of the general government from meddlesome interference in his private opinions, his business, his amusements and his culture. Free thought and general culture become impossible under such circumstances, and the whole atmosphere of the village community is filled with superstition. Jealousy prevents any from rising above the general level except by brute force or cunning.

Vocations, How Readjusted.

The progress of the world in invention necessitates, as we have seen, perpetual readjustment of vocations — a constant ascent out of mere hand labor into intelligent directive power. The ruder vocations minister directly to the satisfaction of the wants of food and the coarser forms of clothing and shelter. The higher vocations relate to the satisfaction of man's spiritual wants and the supply of means for luxury and amusement. Here is a conspectus showing these vocations:

I. THE LOWER ORDER.—PRODUCTION OF NECESSITIES.

1. Procuring of raw materials.
   (*a*) Agriculture and grazing.
   (*b*) Hunting, fishing.
   (*c*) Mining (including petroleum wells, etc).
2. Transportation.
   (*a*) Teaming.
   (*b*) Railroad.
   (*c*) Water transportation.
3. Transformation of Products.
   (*a*) Textile fabrics, cloth and clothing.
   (*b*) Wood and metal work.
   (*c*) Leather.
   (*d*) Miscellaneous.

II. THE HIGHER ORDER.— PRODUCTION OF MEANS OF LUXURY, OF PROTECTION AND OF CULTURE.

The vocations that provide:

1. Means of Luxury and creature-comfort, including manufactures that require a higher order of educated, technical skill.
2. Means of Protection, including
   (*a*) Those who provide amusement and recreation.
   (*b*) The medical profession.
   (*c*) The legal profession.
   (*d*) Officials managing public works or public charities, also Government officials.
   (*e*) Insurance companies and the directive agents of companies formed for guarding the interests, general or special, of society as a whole or of any particular part of it — charitable associations, trades unions, etc., etc.
3. Instrumentalities of culture.
   (*a*) Moral and religious — churches, etc.
   (*b*) Intellectual and moral education — schools and libraries.
   (*c*) Aesthetic — including all trades that produce ornament on useful goods or that produce works of art in sculpture, painting, music, poetry and literary art, landscape gardening, etc., etc.,— also all influences that cultivate taste,— the formation and care of art museums, etc.

(*d*) The collection and diffusion of information, editing and printing of books and newspapers, telegraph operators, etc., etc.

(*e*) Pursuit of science and the invention of devices useful in the arts.

The number required in these latter spheres, especially in the production of articles of luxury and of ornamented goods, and in the collection and diffusion of information, is increasing rapidly.

Over-Production.

We hear of over-production in manufactures and at the same time in agriculture. Over-production can only happen because too many people are fitted only for the lower order of occupations. The persons fitted for the higher occupations that minister to luxury, protection and culture, can perform the lower order of work whenever it is necessary, without waste of time in readjusting their vocations. Those of the lower orders of work cannot fit for the higher vocations except with much expenditure of time in general and special education and training. With a whole people educated, complete preparation is made for the changes incident to material progress.

As to the general question of over-production, it is evident —

(*a*) That when there are produced more agricultural productions than are necessary for the population of a given country, and likewise more than it can export, a readjustment is required, leaving fewer laborers in agriculture and providing for more laborers in the manufacturing and exchanging departments of industry.

(*b*) When there are produced likewise, too many articles of manufactures to supply what are called the necessities, a readjustment is required that will increase what we call the higher order of production — that is to say, the labor that ministers to luxury or protection or culture.

(*c*) If there is a temporary retrograde movement in society, as there is sure to be in case of war,* or pestilence, a readjustment will be effected by the transfer of laborers from the higher order of vocations to the lower order, a transfer easily and naturally made because the wages in the lower order will increase, while those in the higher will decrease in such epochs.

*See Mulhall's History of Prices, the diagrams (frontispiece and opposite pages 130 and 154) showing the tremendous effects of the Napoleonic war and the American civil war on the price-levels all over the world.

All people consume food, clothing and other necessary articles; all want articles of luxury, means of protection, and the ministry of culture, in proportion to their degree of civilization.

The more application of machinery the less laborers are needed in the departments where a narrow special education will suffice, and the more the laborer is required to have a general and humane culture. This doctrine contains the cheering gospel of final emancipation from drudgery. The only condition attached to it is that all shall be educated, and this condition is indeed the best part of the gospel. It makes it the business of society and of every member of it to see that each and all are educated. It becomes the interest of the selfish man as well as the ideal of enlightened philanthropy to have each member of society so intelligent that he can find his vocation in the higher order of human occupations.

The history of industry goes back to a time when only one in a thousand of the able-bodied population could be spared for the creation of ornament or the ministry of culture. Great progress had been reached when one in a hundred could be spared for such purposes. The United States and Great Britain have reached the point where five in a hundred of the laborers are actually pursuing vocations that have for their object the addition of ornament to what is already useful, or the direct ministration to culture in some form. When the ratio is reversed and only five in a hundred are needed to provide the crude necessary articles of consumption, and the remnant of society may devote itself to the higher order of occupations — then the economic problem will be solved.

Economy Conditioned by a Higher Principle.

The trend of social history now becomes apparent. It is not merely the emancipation of man from thraldom to nature. The plentiful supply of his material wants would be only a curse if there did not remain a high state of activity in the work for the spiritual perfection of man. If it were so that nature provided food gratuitously, and furnished such a climate that clothing and shelter were unnecessary, the condition of man would be hopelessly low in the scale, as witness Central Africa to this day.

The emancipation must be of such a character that it can be achieved and sustained only by tense activity and the most complete development of man's higher powers. Long training in

youth, necessary to master the conventionalities of civilization and the view of the world attained by culture, must develope and fix habits of industry and rational endeavor.

The Function of Property.

The function of industry in the perfection of man becomes clear when we consider the true nature of property.

Property is the means for transfering the products of the will of the individual to the race, and at the same time the means of his participation in the products of the race. Human labor cannot be stored up and transferred except in the form of property. A thing becomes property when —

(*a*) It is held in possession by one individual or a company of individuals;

(*b*) and that possession is recognized, confirmed and defended by the community.

This interchange between the individual and humanity is essential to spiritual life. The division of labor by which production is increased through mutual inter-dependence, bears greater fruits than food, clothing and shelter. Its chief fruit is the spiritual gain; each man learns the experience of all men and gives in return for it the small lesson of his own experience.

Possession and the recognition of that possession are essential to property. Hence, property implies the unity of a social whole. It implies, too, the interchange of ideas as well as of material things.

The social combination which recognizes individual ownership is of a sort that does not crush out the individuality of its members. Social organization is absolutely essential for the development of man above the animal. For human life, as such, signifies the perpetual assimilation, on the part of the individual, of the aggregate experience of the whole community. All that society, as a whole, experiences, aggregating the experience of all individuals, becomes by intercommunication the possession of each.

Take away private property and each one's individuality, as manifested in his private wants, gets in the way of the individuality of every one else. Universal collision results in the necessity of the subjugation of all wills in the community to one will; hence arises despotic absolutism as the lowest and rudest form of rational society, the relation of master and slave.

The possession of private property makes possible the exercise of many wills in the community. without collision with each other. It is a greater invention than the discovery of the primitive arts of fire and metallurgy. It is the discovery of the possibility of human freedom.

But the possession of private property does not secure freedom except in a community where private property in land is also recognized. With private property in land there is secured a province within which the individual becomes sovereign. With the principle of private property in land once recognized, there goes on a culture in individuality which is impossible without it. Where the land is the property of the community, each one's will in some degree lacks a sphere in which it is sovereign (it lacks a "dominium"). There must be one absolute will which limits all others, and deprives them of perfect freedom to that extent. Such is the fact in the patriarchal family and in the village community. But when the individual obtains the perfect sovereignty over his own land, then the will of the community does not share with him nor subordinate him any longer, but re-enforces his will. It takes the form of recognition rather than that of dictation and obedience.

History looks upon the invention of private property in land as one of the mightiest steps towards human progress. The Romans invented the forms of corporation, the formulæ for contract and the forms of government for municipal and State governments, clearly distinguishing the legislative, judiciary and executive functions. They also invented the forms of acquiring, holding and transferring property, and especially property in land. But the right of private property in land and the forms of free competition on the part of individuals have done more to develope personal individuality than all other devices. These Roman forms have been the nurture of individuality, just as play is the nurture of spontaneity and originality in the child. The child exercises his caprice and arbitrariness until he developes the strength and stuff to form a rational and consistent character. So private property over which the owner may have absolute control nurtures his individuality. That individuality which is mediated through other individuality may be called personality— one man recognized by all others as acting rationally and to be protected in his acts, for this reason becomes a person.

THE "UNEARNED INCREMENT."

Mankind, through the development of private property, makes progress as never before.* Let an owner improve his piece of land and he expresses in full his caprices and inclination, developing a visible expression of his internal tendencies and proclivities. In this he becomes a revelation to himself and to others. What he originates that is useful or valuable may become the property of all his neighbors. What is not useful may be avoided. So that if he builds a house he attempts to realize his ideals and sometimes adds permanently to the beautiful or to the useful models of building. But, abolish free ownership and you abolish the expression of this innermost inclination and proclivity. The owner of a leasehold is careful if he builds, to study how to build so that in case the land passes away from his possession he may get the most for his building. Hence, he adopts a conventional style, and there is no self-revelation in his work and no culture that comes from it. He tries no new experiment and there is no gain that comes to humanity when, by experiment, a new form of the useful or the beautiful is added to the stock already possessed. If one hundred persons build, perhaps 90 and 9 will introduce capricious variations that do not add anything valuable to what is already invented. But the one-hundredth person adds a form of real beauty or a device of utility. All society profits by the work of the one and loses nothing by the experiments of the ninety-nine. If society had to support its inventors at the cost of the public, it would lose so much by the ninety-nine foolish experimenters that it could not afford to reward the one wise discoverer. By the principle of free competition society gains constantly at the least expense.† As it pays nothing to the ninety-nine who

*Competition is the only true method of ascertaining the cost or price; all other methods are purely arbitrary. If the principle of competition is done away with things must be distributed arbitrarily, not by earnings but by allotment, and all standard of value is set aside. Under such an arrangement the primary condition of freedom is abolished. A free man should be able to recognize his own deed. When it is undistinguishable from the deeds of others he soon loses a sense of responsibility. By the law of competition each one constantly sees the measure of his exertion by comparison with others. See W. B. Weeden's valuable work on "The Social Law of Labor," (Boston, 1882), p. 98. "The only means of arriving at a true cost in economics is to put two men at work against each other; by working against each other they work for the whole of society."

†As a matter of fact Socialism can not show any example where a department has been taken charge of by the general government in which any progress has been made in the methods of management except by borrowing directly from methods invented in private business affairs. Were private business affairs to be merged in Socialism there would cease to be any progress.

fail to discover a valuable process, it can afford to reward the one successful man who invents a great benefit to society. Bessemer saves by his invention thirty millions of dollars a year to Great Britain and double that amount to America. How large a per cent. of this added wealth does he receive? The great "Railroad Kings" who invented cheap transportation by combining lines of railroad under one management and adopting a system of regulations which have resulted in making railroad travel the safest known means of travel — safest for man, safest for goods, — and chief among these railway inventors is the Vanderbilt family — have reduced the cost of transportation of freight from $3\frac{1}{4}$ cents per ton per mile, to less than $\frac{7}{8}$ cents per ton per mile, and thereby saved the sum of more than 500 millions of dollars per annum to the country (the actual freight charges being 416 millions, but at old rates would be over 1000 millions). How large a per cent. have these men been able to secure as reward for their talents? Mr. Atkinson points out (in his essay on the "Railway, the Farmer and the Public,") that Ohio in one year (1883) saved the sum of 89 millions of dollars on railroad transportation over the prices of 1869, reduced to a gold standard. $60,000,000 of this was for local traffic.

In the case of the inventors, society invests nothing in the unsuccessful ones but gains much in case of the successful. Arkwright, Hargreaves, Watt, Whitney, Fulton, Morse — society reaps a thousand millions where these individuals reap one million. The 99 who fail do much negatively to close up the by-paths that lead no whither. They explore and map out the realm of non-fruitful discovery. They study science. They inventory nature in its humblest aspects as well as in its sublimest.

Through the complete and exhaustive inventory of nature discoveries become possible in every direction. This inventorying of nature is something that is so uncertain in its immediate fruits that the community as a whole is never justified in undertaking it on an extensive scale.

The community in fact is so conservative that it rarely purchases great discoveries or even uses them until after long and cautious delay. It is apt to heap ridicule and contempt on the men who bring it the most precious gifts. It seems like irony to suggest that the social whole will invest anything in the way of

encouraging invention as a profession. The Greek fire* invented by an Arabian could not be sold to his own countrymen. He brought the secret to the Byzantians who used it successfully in keeping out the Moslem power from eastern Europe for nearly eight centuries.

Communities as a whole do not spend money on investigations leading to inventions, nor do they willingly avail themselves of the inventions after they are made. They mobbed Hargreaves and Arkwright and ridiculed Fulton. They prefer to eat their half crust sitting in the ashes, to eat a whole crust sitting on a chair. What nation fitted out Columbus for the voyage on which he was willing to risk his life for a geographical discovery? No nation but only the religious missionary zeal of a Christian Queen. Who rewarded Columbus? The home government — with chains and a prison.

The State indeed purchases the solid and fruitful benefits of useful inventions, of adventure and discovery, chiefly by conceding to the inventor what he can make by the monopoly of his invention for a limited period of years. The reward is a stimulant which secures the glad service of the one successful and of the ninety-nine unsuccessful explorers.

There is adventure in many phases of life. Not to speak of hunters and fishermen, there is risk in the expectation of a crop on a farm, in the possibilities of profit in the manufacture of goods and in mercantile traffic. Still more risky is the undertaking of the pioneer, the investment in real estate,† the purchase of railroad stocks and above all the business of mining. Perhaps the remuneration in wealth and comfort is smallest on the average to the discoverers and openers of mines.

If society is to waylay the few who are successful either from sagacity and peculiar qualities of character or from pure good luck, and rob them of their gains, as unearned increment, this whole system of the development of individuality will collapse, and with a fearful result on the progress of society.

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*It was the invention of gunpowder, except that it used naphtha instead of charcoal as an ingredient.

†Land investments are not so profitable as investments in trade with equal business sagacity. By the year 1912 the $24 paid for Manhattan Island in 1612 at 6 per cent. compound interest for the 300 years intervening would come to over 800 millions of dollars, a sum quite equal to the value of all the land in New York city in 1912, judging from its present price and rate of increase.

One has only to see how many and how great advantages accrue to society from this spirit of adventure, which scales the boundaries hitherto reached and enters a new world of thought and action, to realize the pernicious tendency of the socialism of Karl Marx. To confiscate what is called the "unearned increment"— the reward of good luck and sagacious outlay of labor and capital — is to kill the goose that lays the golden egg.

Society would obtain immediate possession of a given amount of wealth, but it would paralyze all elements of adventure in the souls of its bravest men and well-nigh destroy all self-dependence on the part of the weaker members of society. In the Middle Ages the inventor had to keep the process of his manufacture a secret or sell it as a secret if any gain was to reward him for his investments of time and talents.

If society deals violently with the individual, the latter strives to repeat the lesson upon his fellows. The dealings of the world-spirit towards the individual, furnish him a model on which to form his own character. The selfish greed of the corporate whole that envies the individual his good luck or the fruits of his sagacity, is the most pernicious influence for educating the individual in pure selfishness.

Faust discovers that the Erdgeist spurns him with contempt— for pantheism teaches that the world-process is only a gigantic process of birth and decay that moves in the tides of life and the storm of deeds, a birth and a grave, and engulfs the individual in its universality. Whereupon Faust assumes the same attitude towards his fellow-men, making the world his oyster. By this he adopts the Mephistophelian principle and sells his soul to the Evil One. For Mephistopheles is the human counterpart of a World Spirit that is unscrupulous towards the rights of individuals — the individual counterpart of a social whole that robs its individual members of their good luck and of the fruits of their sagacity.

A State that invests nothing in the encouragement of invention, adventure or discovery, and stands ready to rob its citizens of the fruits of their enterprise, will develope in all its strongest individuals — in all its directive citizens — the same spirit of jealous and unscrupulous selfishness. Each will learn to reap where he has not sowed. Tyrants will multiply, and the only cure will be fierce and bloody warfare — like the collision between English and Scotch on the border in old feudal times. Such a condition can be healed only through a status of absolute monarchy.

What Effect Would Mr. George's Land Tax Have?

In conclusion let us ask: In what way would the new plan of collecting taxes help the poor? At first there would be no diminution in the amount of rent paid for houses. After a little while, however, the rent of the largest and most expensive houses in the centre of cities would fall somewhat, because only the land and not the building is to be taxed. But the rent of all small cottages and cheap tenement-houses would greatly increase as a consequence of the attempt of land owners to recover a portion of the tax that would fall with undue weight on their property. The consequence would be that the poor would be far worse off than now as regards the rent of dwellings. They would pay relatively more than the rich.

Two lots of equal size, side by side, would be taxed equally, according to Mr. George's plan, the buildings being free from taxation. But on one of these lots is the palatial mansion worth half a million, while on the other lot is a tenement house worth a tenth of that sum. The ground tax falls with ten times the weight on the amount of capital invested in the tenement. According to the present system, the rich man would pay a proportional tax for his palace, ten times as much as the tenement-house pays.

It is obvious that, according to Mr. George's plan, the cheap houses, such as the poor build or live in, would pay an undue amount of the burden of the support of the State.

The land of Massachusetts is taxed at present two-thirds of one per cent. on its true valuation for State and local taxes. If all these taxes were collected from land alone it would be taxed two and two-thirds per cent. on its true value; and if the national taxes were also collected from land, there would be $7\frac{1}{2}$ per cent. collected from the true value of the land, a larger sum than its present rental yields. This enormous tax would fall to a much larger extent on the poor than on the rich, for personal property and palatial mansions, stores, warehouses and manufacturing establishments would all pay taxes only according to the amount of land they occupied. The cottages of the poor would be taxed not according to their value as now, but according to the value of the ground on which they were situated.

But we are asked would not this taxation of land bring into market at cheap rates all the unoccupied building lots, and would

it not divide up the large farms into smaller ones, so that the poor in our cities could get possession of land? Alas! no. If the present national and local taxes were all assessed upon land, land could not avoid the taxes by becoming cheap. If the value of land sank to five per cent. of its present value, the Government would simply be obliged on Mr. George's plan to raise the rate of taxation to twenty times the rate before assessed and thus make it pay every year 150 per cent. of its total value, in order to get the requisite amount of revenue that it collects at present. There could be no question of collecting larger revenues than at present — revenues that would supply music and dancing, halls, theatres, shooting galleries, gymnasiums, and such institutions for public benefit as Mr. George (p. 410) proposes, in addition to those furnished now — because the taxation of land sufficient to produce the present revenue would be 7½ per cent. on its present valuation, and this alone would be sufficient to crush farmers completely. The removal of taxation from improvements on land, from all productions, and from all personal property, would, of course, relieve the wealthy from the bulk of their taxes, at least from taxes on the wealth that they use for comfort and luxury.

But the poor people could not resort to agricultural lands, for the reason that these would be taxed up to the point of confiscating all that could be raised upon them.* In New England, on most of the farms at the present day, the farmers do not find themselves able to make what would be called a "decent living" by the manufacturing classes and the mechanics, unless their farms are located so near the cities that they can raise garden crops. Corn, potatoes, stock-raising, dairy products, hay, wheat, rye, and oats, do not return profit enough on land entirely free to pay the wages that the family can earn as skilled mechanics or common laborers in the mechanic arts. Take the State of Maine, for example, with its 82,130 farmers, and its $21,945,489 of "all farm productions sold, consumed or on hand;" adding one-third of its $16,499,376 for live stock, and the amount per farmer is $28.33 per month, or less than $340 per year apiece, without setting aside anything for land or capital, while the total average earnings of the whole nation amount at $34.80 per month to $417.60 per annum, and skilled mechanics get from $500 to $700.

*In Chapter VIII., p. 133, Mr. Wallace gives an amusing account of the resistance of the Russian peasantry in the northern provinces of Russia when an attempt is made to assign them large allotments of land where every allotment brings more taxes than profits.

Contrast farming in Maine at $340 per year with farming in Massachusetts, consuming great quantities of garden products and farm earnings at $438 per year. Connecticut furnishing vegetables for its own cities and for New York, averages $492 for its farmers. But, even in Maine there is much garden farming to be accounted for, and this raises the average farm production.

If the farms were burdened with an enormous tax, as in Russia, there would be suffering, and in many places actual need of help from the Government, as there is quite often in Russia toward the latter end of winter.

Mr. George's kindly meant help to the poor, to save them from migrating west for farms, would result in driving the whole farm population, except the market gardeners, to the extreme border lands to escape a taxation that would rob them of all their earnings.

As it is, the paupers are people of feeble intelligence and feeble will power. But incapacity is no crime and should not be punished as such. But to offer people of such incapacity in matters of thrift the use of land for cultivation at an annual rental of taxes equal to 7½ per cent. — where the most economical and skilful farmers at present do not make more than one dollar a day throughout the year — is cruel irony.

Laveleye, in his "Elements of Political Economy (Eng. tr., p. 59), says that "As a means of forwarding agricultural progress . . . . a scale of the different systems of land tenure may be formed, arranged according to the encouragement which they give to labor. The order will be in descending scale: 1, proprietorship vested in the cultivator; 2, hereditary tenancy; 3, long leaseholds; 4, cultivating on shares; 5, short leaseholds; 6, tenure at will." And again the same author says: "Man will work with so much the more care and zeal the more exactly his reward is in proportion to the quantity and quality of his labor. Pay the industrious and the idle workman the same wages and it will be to the interest of both to do as little as possible." This meets the case of the appropriation of land by the State in order to provide land for all.

But, inasmuch as the grounds for apprehension as to any danger from the private ownership of land have been removed, there remains no necessity for Mr. George's remedy, the nationalizing of land, for any reasons of progress and poverty. Land has not

increased in value during the present century so fast as capital and labor. In thirty years the total rental has increased three-quarters of a cent per day for each inhabitant of the United States, while the total daily income has increased fifteen cents each. For each inhabitant of Great Britain eighty years ago, the total land value was 25 per cent. greater than it is now, while the value of buildings and miscellaneous wealth has increased since then to almost three times as much per inhabitant. Our total annual production is 40 cents apiece per day while land takes only two cents of it. Land does not domineer over capital, but capital continually gets the advantage over land by means of rapid transit, bringing the agricultural lands of the suburb to compete with city building lots and bringing the farms of the distant frontier to compete with the farms of the Atlantic coast in raising staple crops. The consequence is that the farmers are not able to hold their own with the other laboring classes in the progress towards high wages, and if Mr. George's plan were adopted they would be utterly ruined. Moreover, since the great bulk of wealth in the city consists in buildings and personal property, the wealthy would escape taxation to a greater extent than the poor.

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