

How To Raise Wages And How To Abolish Poverty And The Fear Of Poverty

HENRY GEORGE when he published his era-marking book, "Progress and Poverty," gave us the outline principles and left us to put in the details and shading.

We base all our arguments upon human rights, therefore it is necessary to examine what and where human rights are.

We may consider "Human Rights" to be concessions each of us must make to the individuality of every other person, demanding from each, in return, that we be granted the same consideration.

For it is apparent that if we each claimed to be free to do as we wished, without consideration for our fellow occupants of this world, we should each be a nuisance and a menace to our fellows; but we are all conscious that those around us must be more or less considered, and we incline to protest and retaliate when the actions of those around us cause us hurt or fear.

If the above is a definition of human rights, we may enumerate some of those rights as that (1) "We each have a right to be upon this earth"; (2) That "none have greater right, none less, than others to be on the earth"; the right is an equal right; (3) that "Each has a right that he shall not be hurt by his fellow"; (4) Each has an equal right to the *Free* use of the materials of which the earth is composed and of the forces which move it; (5) "Each has a right to the sole *use* and *disposal* (ownership) of any 'usefulness to man' which by their exertions they may attach to any of these raw materials"; (6) Each has a right to Life, Liberty and the Pursuit of Happiness"; in other words, "A right to do as they will, bounded *only* by every other person's *equal* right to do as *they* will.

If *we*, as a community, or as individuals, transgress those rights, *we*, as community or individual, will suffer (it is because, as a great world community, we *are* transgressing some of these rights that we are suffering poverty, war and much disease).

Our effort must be "to cease to do evil, learn to do well"; to cease to transgress these "Rights of Man." We must, therefore, examine how and where *we*, as a community, fail to harmonize with these "Natural Laws" or "First Principles."

Our greatest trespass against human rights is due to a convention which has evolved, by which governing bodies sell to some people a privilege to hold portions of the earth's surface against use by their fellows; the privilege of selling to their brethren *their* permission for those brothers to use the earth.

This privilege is sold as "The Fee Simple Title to Sites." It is the certificate that an annual "Fee" or "Feu," instituted by the Norman King, William I., has been com-

muted by a single payment. It is really "The Fee Single," to take the place of the annual fees or feu.

But governing bodies are bound, equally with individuals, by the moral law—they must have regard to the Rights of Man.

No man, no governing body, or other collection of men ever had the *right* to sell immunity from the annual payment of that annual feu or fee. It is the natural source of revenue for civilized communities; it is the value to the users of sites of all the advantages made by Man (it is every man's right to freely use all the advantages made by Nature); it is the value of roads, railways, shipping, all the services of our fellows in holding in shops and stores, stocks of the things we are likely to want; all the services in distribution by the carts of the baker, butcher, milkman, carrier, etc., and is high where these services are many, low where they are scarce, absent where they are not.

These services are continuous and must be paid for continuously, say, in the year in which they are enjoyed. No payment, large or small, made a thousand years, or even one year, ago, can be recognized as freeing a man and his heirs or assigns (as the lawyers say) for ever, from paying to the community for these continuous and increasingly valuable services.

This fee simple title was instituted in the second or third century from the Norman's advent, which was during the Sixties of the tenth Century (1066 if I remember right), and many sites have paid no annual feu since to governments.

The fee simple title, being an immoral transaction, has no standing before the moral law, cannot prevent *us*, the people, from beginning at any time to take for public purpose this naturally provided fund (now being collected by the "Private Landlord," plus cent. per cent. more). But in Australia and in many other parts of the world, we have already begun to take it. Queensland, N.S.W., S. Australia, New Zealand, S. Africa, U. S. A., S. America, Canada all are taking more or less of their Local Government funds from this source, and Australia is collecting a so-called "Land Value Tax" from all who hold title which would sell for more than £5000, and increases in amount according as value of title increases; but it is imposed as an arbitrary tax, and is against the Georgian principle; but it is easy to cut off the exemption and increment and make it apply to all sites, when it would be according to our principles.

THE EVIL OF THE FEE SIMPLE

Since those holding the fee simple title to the usable sites, helped by the governing bodies which control the lands of the various states and countries (which bodies carefully keep the land not yet fee simplified from use by the people), can withhold permission for the land to be used, their permission becomes a very valuable article of trade,

and they sell that permission only at the highest competition prices.

Henry George, in his "Progress and Poverty," shows how the value of the "Landlord's" permission to use the earth increases. (1) With the increase of population (both in the whole world and in the vicinity of the land the subject of the permission). (2) With the increase of security to life and property and the comparative prosperity of the community, generally called "Progress."

It has become recognized that the best investment of any savings we may make is to buy title to some site and hold it for an increased price, and generally the competition of would-be investors raises the price or title above the price the mere user could pay and make a living out of it, and continually the would-be user is called upon to pay higher and yet higher prices for title to sites—or go without.

But the price of title to sites for use ever must be paid for in the prices of services or products sold off the site. The price of every commodity we buy is built up of *all the costs* of its production, all tools to landlords, all wages, all taxes which have been paid, directly or indirectly on account of the product from its earliest stages must be paid by the ultimate consumer of any commodity.

See what goes to the private landlord in the case of, say—a box of wooden matches. The timber comes from the land and pays "Royalty." The timber is cut at a mill or factory (toll again). There are products of the sulphur mines and of phosphate rock and of mills which prepare phosphorous and other chemicals used; paper for covering the boxes; printing ink, which is made up of many products; toll for sites of factory, warehouses in many lands, wharfs, jetties, shipyards, retailers' shops, etc., each carrying its share of toll, wages and taxes, and on the average, we find that prices of goods may be divided more or less equally into those three items.

But if the earth does not belong to Man, if every person has an equal right to freely use it, what right has the private landlord or even governing bodies to charge us toll for their permission to occupy or use it.

The only reason for taking taxes is that the *real* source of revenue for a community, the value made by its governing bodies by making roads, railways, etc., is paid to the private landlord for *his permission to use the earth*, and we pay him *double* as much as the community could collect if it took the annual rental value of sites held by users (none but *users* would hold sites if they had to pay the *full annual rental value* for them and none would hold more than they needed).

The sum we would thus pay would be far less than we now pay in taxes; but much more of it would reach the public treasury.

THE EFFECT ON WAGES

The great reason of low wages is that under the present system there is not work offering for all. There is always

the "Jobless Man at the Gate." When there is a job for *every man*, when the jobless man is wiped out, wages will rise.

At present prices of goods are, on the average, made up of three items. Let us show it graphically by a pile of 3 bricks. Let the height of the pile represent prices. On the ground is "Toll" taken by the private landlord. Above it rests the brick "Wages," and on it the "Taxes" taken by governing bodies, because the fund which belongs to all. "The annual Rental Value of Sites," is collected, with large additions, by private people instead of the Public Treasury.

TAX	PRICE
WAGES	
TOLL	

But suppose that we change this, and take the **WHOLE** of this value (the value of roads, railways, public services, the services of our fellows in gathering stocks of things we want, where we want them—all things which make life and living brighter and easier—all are to be found in the selling or letting value of the privilege of the site.

The Public Treasury will be able to collect the **TRUE ANNUAL VALUE** of each site. The landlord collects twice as much because he has monopoly of the unused sites, quite cent. per cent. more than the *true* Annual Rental Value.

Only half of what the landlord now takes would go into the treasury, the other half has been torn from **WAGES**, and would at once go back to wages, and both toll and wages being each one-third of prices, this would raise wages by 50 per cent.

— WAGES —	PRICE
T. A. VALUE	

But with this fund in it the treasury would be full, and there would be no need for **TAXES**, and we would not permit ourselves to be taxed.

But taxes constitute about one third (at least) of prices, and to cut them off would be to reduce prices by one-third, leaving them only two-thirds of what they are at present.

Reducing the prices one-third would make the buying power of money greater by half; one shilling would buy what *eighteenpence* would now purchase.

Increasing buying power of money would be *raising all wages and incomes* in that proportion, fifty per cent., and as the difference between the true annual value and the landlord's toll would raise them by half, this second half would raise them to *double their present buying power*.

Then larger buying power in the hands of the community would be at once followed by larger demand for *all the things folks use*, houses, furnishings, clothes, foods, sports, cars, and hosts of other things. This would set to work *all the present* unemployed, and would bring back into the home thousands of wives, daughters and sisters of men whose incomes would then permit them to keep these at home from industries. These things would raise the already raised wages.

Men would then be able to *choose* their occupations. There would be movements of men from lines in which they had been, more or less, forced to work, into the lines of their choice; from shops of other people to shops of their own, from city to country, and from country to city; from the less desirable to the more desirable occupations.

Instead of men having to fight a way through crowds of applicants for a job, there would be several jobs chasing each man. The true wage of labor—"THE WHOLE VALUE OF THE PRODUCT"—would be the scale of payment. Prices would be built up of WAGES ONLY. An eighth or tenth of price would be the wage of the community, "THE TRUE ANNUAL VALUE OF SITES;" the rest, THE TRUE WAGE OF LABOR:—

PRICE OF GOODS	LABOR'S WAGE
	COMMUNITY'S WAGE

G. R. HARRISON.

The Real Source of A Boss' Wealth

MR. MURPHY'S wealth was often a topic of discussion among his friends. He had business interests of importance but was secretive about his private affairs. Those closest to him believe it will be found that he died possessed of only a moderate fortune. He made many men rich by giving them advantage of his knowledge of forthcoming political developments which would react on real estate values by reason of public improvements. Whether he profited to any extent by his foreknowledge probably never will be known. Lawsuits in which he he figured over money matters disclosed that he was not a very astute business man.

—N. Y. World

"UNDER all forms of government the ultimate power lies with the masses. It is not kings nor aristocracies, nor landowners nor capitalists, that anywhere really enslave the people. It is their own ignorance."

—HENRY GEORGE.

Has The Single Tax Theory Made Progress?

(Joseph Dana Miller in *Dearborn Independent*. Reprinted by permission.)

WHEN Henry George died in 1897 at the close of a dramatic campaign for mayor of Greater New York, it was felt by many that the progress of the cause to which he had given his life, and in the advocacy of which he was so impressive a personality, had suffered a serious interruption.

The years immediately succeeding must have seemed to justify such impression, for a period of inactivity followed, and the Single Tax ceased to be talked about as it had been in the lifetime of the author of *Progress and Poverty*. But the persistence of the agitation was nevertheless a fact, and its revival has kept it constantly if not prominently before large numbers of the people in almost every country.

What is the essence of that teaching? It is that the rent of land, or land value, belongs to the people and should be taken by the taxing power in lieu of all taxation on improvements and other products of labor. What progress has been made in the carrying out of this principle in legislation?

DENMARK

Perhaps no event in the direction of the Single Tax has been more notable than the new law enacted by Denmark on August 4, 1922, taxing land values for national purposes at the rate of one and five tenths mills. Heretofore there has been a tax on land and building, (the ordinary real estate tax) of one and one tenth mills. Improvements worth less than ten thousand Kronen (about two thousand seven hundred dollars) are now exempt from this tax; while improvements in excess of that value are taxed only one and one tenth mills, the same as before the new law. So the tax on the higher priced improvements is now approximately only two thirds of the rate that is levied on all land values.

Denmark is the first country in the world to apply a national land tax, and with its exemption feature this act is therefore the nearest approach made by any nation as a whole toward the Single Tax. The government which passed this bill for national taxation has announced its intention to enact legislation for local purposes in which similar discrimination will be made between land values and improvements.

It has been thought that the farmer constituted the greatest bulwark of defense against any proposal for the taxation of land values. But it is to be noted that Denmark is a country of small farmers, and that the greatest organized force working for this reform was the band of 120,000 small cultivators who have been demanding this