

CHAPTER VIII

CONFIRMATION BY SOCIALISTS

THIS demonstration of the sufficiency of the Single Tax system to secure social justice and raise the masses of mankind to a higher plane would be incomplete without the inclusion of affirmative declarations by leading socialist writers. This, the final chapter, therefore, will be devoted to the demonstration that socialists also, at least occasionally, trace to private ownership of land the subjection of labour which they generally attribute to the independent action of private capital ; and that they also admit the impotence of capital against labour in the absence of land monopoly.

Karl Marx devotes the final chapter of *Capital* to an exposition of *The Modern Theory of Colonisation* as propounded by that observant economist and cold-blooded Philistine, E. G. Wakefield, between the years 1833 and 1835. Marx's comments clearly prove that he fully agrees with Wakefield in the latter's exposition of the cause of the absence of capitalistic oppression, the independence and prosperity of labour, and the comparative homogeneity of the people of the Australian colonies and the United States at the time, "none being poor and none very rich" ; and also, that he admits the efficiency of the measures proposed by Wakefield to alter these features of colonial life, and subject the people to capitalistic domination.

The following extracts will show this in detail :¹—

"It is the great merit of E. G. Wakefield to have discovered, not anything new about the colonies, but to

¹ *Capital*, pp. 791-800.

have discovered in the colonies the truth as to the conditions of capitalist production in the mother-country. As the system of protection at its origin attempted to manufacture capitalists artificially in the mother-country, so Wakefield's colonisation theory . . . attempted to effect the manufacture of wage-workers in the colonies. . . .

"First of all, Wakefield discovered that in the colonies property in money, means of subsistence, machines, and other means of production, do not as yet stamp a man as a capitalist if there be wanting the correlative—the wage-worker, the other man who is compelled to sell himself of his own free-will. He discovered that capital is not a thing, but a social relation between persons, established by the instrumentality of things. Mr. Peel, he moans, took with him from England to Swan River, West Australia, means of subsistence and of production to the amount of £50,000. Mr. Peel had the foresight to bring with him, besides, 3000 persons of the working class—men, women, and children. Once arrived at his destination, 'Mr. Peel was left without a servant to make his bed or fetch him water from the river.'

"'In the Northern States of the American Union,' says Wakefield, 'it may be doubted whether so many as a tenth of the people would fall under the description of hired labourers. . . . In England . . . the labouring class compose the bulk of the people.' Nay, the impulse to self-expropriation, on the part of labouring humanity, for the glory of capital, exists so little, that slavery, according to Wakefield himself, is the sole natural basis of colonial wealth. . . . 'The first Spanish settlers in San Domingo did not obtain labourers from Spain. But without labourers their capital must have perished, or at least must soon have been diminished to that small amount which each individual could employ with his own hands.' . . . We have seen that the expropriation of the mass of the people from the soil forms the basis of the capitalist mode of production. The essence of a free colony, on the contrary, consists in this: that the bulk of the soil is still public property, and every settler on it, therefore, can turn part of it into his private property and

individual means of production without hindering the later settlers in the same operation. This is the secret both of the prosperity of the colonies and of their inveterate vice—opposition to the establishment of capital. ‘Where land is very cheap and all men are free, where every one who pleases can easily obtain a piece of land for himself, not only is labour very dear, as respects the labourers’ share of the produce, but the difficulty is to obtain combined labour at any price.’ . . .

The sentence in the foregoing quotation, stating that the possession of capital does not stamp a man as a capitalist in the absence of the man who is compelled to sell himself, is seen to be in full agreement with the Single Tax theory when Marx’s definition of capital as an instrument of exploitation is remembered. It admits that where labour is independent, where labourers have the opportunity to employ themselves, the private possession of capital confers no power of dominating and exploiting labour. Nor does Marx leave any doubt as to what constitutes “the instrumentality of things” which establishes the “social relation” in which the possession of capital converts a man into a capitalist, *i.e.* confers upon him the power to exploit labour. For he declares that “the expropriation of the mass of the people from the soil forms the basis of the capitalist mode of production”; that easy access to land “is the essence of a free colony,” is the secret both of the prosperity of the colonies and of their freedom from capitalistic domination. And further, he quotes with approval, “Where land is very cheap and all men are free, where every one who pleases can easily obtain a piece of land for himself, not only is labour very dear, . . . but the difficulty is to obtain combined labour at any price.” That is, Marx admits that free access to land, by enabling some labourers to employ themselves, raises the wages of all labour to a high level and substitutes for the existing competition between labourers for employment the competition of capitalists with each other for labourers. And he further admits the contention that, under such conditions, labour having access to land, the position of labour in higgling for its

reward is stronger than that of capitalists, for he again quotes with approval, "Without labourers their capital must have perished, or at least must soon have been diminished to that small amount which each individual could employ with his own hands."

Yet, with the full knowledge of these truths, knowing that capitalistic oppression arises from land monopoly and cannot exist in the absence of land monopoly, Marx and his followers have advocated and still advocate, not merely the abolition of land monopoly, but the abolition of that which they themselves show to be innocuous in the absence of land monopoly—the private ownership of capital.

The following quotation makes these admissions in even a clearer manner :—

"The great beauty of capitalist production consists in this—that it not only constantly reproduces the wage-worker as wage-worker, but produces always, in proportion to the accumulation of capital, a relative surplus population of wage-workers. Thus the law of supply and demand of labour is kept in the right rut, the oscillation of wages is penned within limits satisfactory to capitalist exploitation, and lastly, the social dependence of the labourer on the capitalist, that indispensable requisite, is secured—an unmistakable relation of dependence, which the smug political economist can transmogrify into one of free contract between buyer and seller, between equally independent owners of commodities, the owner of the commodity capital and the owner of the commodity labour. But in the colonies this pretty fancy is torn asunder. The absolute population here increases much more quickly than in the mother-country, because many labourers enter this world as ready-made adults, and yet the labour market is always understocked. The law of supply and demand of labour falls to pieces. The wage-worker of to-day is to-morrow an independent peasant, or artisan, working for himself. He vanishes from the labour market, but not into the workhouse. This constant transformation of the wage-labourers into independent producers, who work for themselves instead of for capital, and enrich themselves instead of the

capitalist gentry, reacts in its turn very perversely on the conditions of the labour market. Not only does the degree of the exploitation of the wage-labourers remain indecently low; the wage-labourer loses into the bargain, along with the relation of dependence, also the sentiment of dependence on the abstemious capitalist. Hence all the inconveniences that our E. G. Wakefield pictures so doughtily, so eloquently, so pathetically.

“The supply of wage-labour, he complains, is neither constant, nor regular, nor sufficient. ‘The supply of labour is always, not only small, but uncertain!’ ‘Though the produce divided between the capitalist and the labourer be large, the labourer takes so great a share that he soon becomes a capitalist. . . . Few even of those whose lives are unusually long can accumulate great masses of wealth.’ The labourers most distinctly decline to allow the capitalist to abstain from the payment of the greater part of their labour. It avails him nothing if he is so cunning as to import from Europe, with his own capital, his own wage-workers. They soon ‘cease . . . to be labourers for hire; they . . . become independent landowners, if not competitors with their former masters in the labour market.’ . . . On account of the high wages, says his disciple Merivale, there is in the colonies ‘the urgent desire for cheaper and more subservient labourers—for a class to whom the capitalist might dictate terms, instead of being dictated to by them. . . . In ancient civilised countries the labourer, though free, is by a law of nature dependent upon the capitalists; in colonies this dependence must be created by artificial means.’ . . .

“After Wakefield has contrasted the English capitalist agriculture and its ‘combined’ labour with the scattered cultivation of American peasants, he unwittingly gives us a reverse of the medal. He depicts the mass of the American people as well-to-do, independent, enterprising, and comparatively cultured, whilst ‘the English agricultural labourer is a miserable wretch, a pauper. . . . In what country, except North America and some colonies, do the wages of free labour employed in agriculture much exceed the bare subsistence for the labourer?’”

Thus it is admitted that where land is easily accessible to labour the labour market is never overstocked ; the passing of some wage-workers from the labour market to the land, reacting upon the labour market, keeps wages high ; wage-labourers, having thus ceased to be dependent upon capitalists, lose also the sentiment of dependence ; wages are so high that workers soon own capital and great masses of wealth cannot be accumulated.

The following quotation shows the reverse of the medal, *i.e.* how a high price and consequent monopoly of land enslave labour ; and how under such conditions a surplus of labour and an artificially enhanced competition of labourers for employment can be created by measures, the failure of which to achieve this object when land is easily accessible has been admitted in the preceding quotation :—

“How then to heal the anti-capitalistic cancer of the colonies? . . . Let the Government put upon the virgin soil an artificial price independent of the law of supply and demand, a price that compels the immigrant to work a long time for wages before he can earn enough money to buy land and turn himself into an independent peasant. The funds resulting from the sale of land at a price relatively prohibitory for the wage-workers, this fund of money extorted from the wages of labour by violation of the sacred law of supply and demand, the Government is to employ, on the other hand, in proportion as it grows, to import have-nothings from Europe into the colonies, and thus keep the wage-labour market full for the capitalists. . . . By this plan, Wakefield cries in triumph, ‘the supply of labour *must* be constant and regular, because, first, as no labourer would be able to procure land until he had worked for money, all immigrant labourers, working for a time for wages and in combination, would produce capital for the employment of more labourers ; secondly, because every labourer who left off working for wages and became a landowner would, by purchasing land, provide a fund for bringing fresh labour to the colony.’ The price of the soil imposed by the State must, of course, be a ‘sufficient price,’ *i.e.* so

high 'as to prevent the labourers from becoming independent landowners until others had followed to take their place.' This 'sufficient price for the land' is nothing but a euphemistic circumlocution for the ransom which the labourer pays to the capitalist for leave to retire from the wage-labour market to the land.

Marx concludes the chapter from which these quotations have been extracted, and his book, with the following observations :—

"However, we are not concerned with the condition of the colonies. The only thing that interests us is the secret discovered in the New World by the political economy of the Old World, and proclaimed on the housetops, that the capitalist mode of production and accumulation, and therefore capitalist private property, have for their fundamental condition the annihilation of self-earned private property—in other words, the expropriation of the labourer—that is, the exclusion of labour from the land."

Open the land to labour, give to all equal rights and equal access to land, and what Marx terms "the capitalist mode of production," the subjection of labour, is ended, as he himself shows.

Later socialists, no less than Marx himself, occasionally make these admissions, as the following examples prove :—

"On Socialism the analysis of the economic action of Individualism bears as a discovery, in the private appropriation of land, of the source of those unjust privileges against which Socialism is aimed. It is practically a demonstration that public property in land is the basic economic condition of Socialism. . . . The income of a private proprietor" (of land) "can be distinguished by the fact that he obtains it unconditionally and gratuitously. . . . Socialism involves discontinuance of the payment of these incomes, and addition of the wealth so saved to incomes derived from labour. . . . Economic rent, arising as it does from variations of fertility or advantages of situation, must always be held as common or social wealth, and used, as the revenues raised by taxation are now used, for public purposes."¹

¹ *Fabian Essays*, pp. 26, 27.

The Fabian essayist admits, as Marx admits, that "the private appropriation of land is the source of those unjust privileges against which Socialism is aimed"; explains that the rent of land must be substituted for revenues raised by taxation, as the fund from which public expenditure may be met. This obviously is the Single Tax doctrine. Why, then, insist upon the public ownership and management of capital? If the essayist is right, the latter is the merest surplusage.

"The growth of knowledge of political economy made it constantly more apparent that the Radical ideal of 'equality of opportunity' is absolutely impossible of attainment, even in infinite time, so long as individual ownership of land exists."¹

"What the achievement of Socialism involves economically, is the transfer of rent from the class which now appropriates it to the whole people. Rent being that part of the produce which is individually unearned, this is the only equitable method of disposing of it. There is no means of getting rid of economic rent. So long as the fertility of land varies from acre to acre, and the number of persons passing by a shop window per hour varies from street to street, with the result that two farmers or two shopkeepers, of exactly equal intelligence and industry, will reap unequal returns from their year's work, so long will it be equitable to take from the richer farmer or shopkeeper the excess over his fellow's gain which he owes to the bounty of Nature or the advantage of situation, and divide that excess or rent equally between the two. If the pair of farms or shops be left in the hands of a private landlord he will take the excess, and instead of dividing it between his two tenants, live on it himself idly at their expense. Socialism is not, of course, to equalise farmers and shopkeepers in couples, but to carry out the principle over the whole community by collecting all rents and throwing them into the national treasury. As the private proprietor has no reason for clinging to his property except the legal power to take rent and spend it on himself—this legal power being, in fact, what constitutes him a

¹ Sidney Webb, *Socialism in England*, p. 20.

proprietor—its abrogation would mean his expropriation. The socialisation of rent would mean the socialisation of the sources of production by the expropriation of the present private proprietors, and the transfer of their property to the entire nation. This transfer, then, is the subject-matter of the transition to Socialism, which began some forty-five years ago, as far as any phase of social evolution can be said to begin at all.”¹

“The theft of the land and its conversion into personal property was the origin of bondage, which has passed through all possible phases from slavery to the ‘free’ workmen of our day, till at length, after a development covering thousands of years, the land will be reconverted into common property by the bondsmen themselves.”²

“The whole equivalent of every source of fertility or advantage of all land over and above the worst in economic use, is under free competition necessarily abstracted from the mere worker on it. So long as Lady Matheson can ‘own’ the island of Lewis, and (as she says) do what she likes with her own—so long as the Earls of Derby can appropriate at their ease the unearned increment of Bootle or Bury—it is the very emphatic teaching of political economy that the earth may be the Lord’s, but the fulness thereof must inevitably be the landlord’s.”³

“The phenomenon of economic rent has assumed prodigious proportions in our great cities. The injustice of its private appropriation is glaring, flagrant, almost ridiculous. In the long suburban roads about London, where rows of exactly similar houses stretch for miles countrywards, the rent changes at every few thousand yards by exactly the amount saved or incurred annually in travelling to and from the householders’ place of business. The seeker after lodgings, hesitating between Bloomsbury and Tottenham, finds every advantage of situation skimmed off by the landlord with scientific precision. As lease after lease falls in, houses, shops, goodwills of businesses which are the fruits of the labour of lifetimes, fall into the maw of the ground-landlord.

¹ *Fabian Essays*, p. 179.

² Bebel, *Woman*, p. 200.

³ S. and B. Webb, *Problems of Modern Industry*, pp. 237, 238.

“Confiscation of capital, spoliation of households, annihilation of incentive, everything that the most ignorant and credulous fund-holder ever charged against the socialist, rages openly in London, which begins to ask itself whether it toils only for the typical duke and his celebrated jockey and his famous racehorse.”¹

The history of government contains few more shameful chapters than that which records how during this period the Legislatures—municipal, State, and national—seconded by the Executive and the Courts, vied with each other, by wholesale grants of land, privileges, franchises, and monopolies of all kinds, in turning over the country, its resources, and its people to the domination of the capitalists, their heirs and assigns for ever. The public lands, which a few decades before had promised a boundless inheritance to future generations, were ceded in vast domains to syndicates and individual capitalists, to be held against the people as the basis of a future territorial aristocracy with tributary populations of peasants. Not only had the material substance of the national patrimony been thus surrendered to a handful of the people, but in the fields of commerce and of industry all the valuable economic opportunities had been secured by franchises to monopolies, precluding future generations from opportunity for livelihood or employment, save as the dependants and liegemen of a hereditary capitalist class. In the chronicles of royal misdoings there have been many dark chapters recording how besotted or imbecile monarchs have sold their people into bondage, and sapped the welfare of their realms to enrich licentious favourites; but the darkest of those chapters is bright beside that which records the sale of the heritage and hopes of the American people to the highest bidder by the so-called democratic State, national and local governments, during the period of which we are speaking.”²

“Either we must submit for ever to hand over at least one-third of our annual product to those who do us the favour to own our country, without the obligation of

¹ *Fabian Essays*, pp. 188, 189.

² Edward Bellamy, *Equality*, pp. 282, 283.

rendering any service to the community, and to see this tribute augment with every advance in our industry and numbers, or else we must take steps, as consistently as may be possible, to put an end to this state of things."¹

These quotations clearly demonstrate that, from the father of modern Socialism downward, thinking men among the socialists have been unable to close their eyes to the truth that social injustice, the subjection of labour, and the exploitation of labour have as their cause and origin private ownership of land. They admit that were land freely and equally accessible to all, labourers would be free to enjoy the wealth which they make. They, therefore, also admit that capital is powerless for evil in the absence of land monopoly.

Why, then, are they socialists? Why do they insist upon the necessity of measures which they themselves thus declare to be unnecessary, and which, as has been shown here, are fraught with the utmost danger to society? Is it that the Single Tax doctrine is too simple to satisfy for long the craving for extended action which possesses so many men? Can it be that the truth, the light of which occasionally illuminates their thoughts, cannot be retained by minds enamoured of the fascinating occupation of devising vast projects for the regeneration of mankind? Whether this is the true explanation or not, this much is certain, that these socialists themselves bear witness to the sufficiency of the Single Tax system for the attainment of the ultimate objects at which socialists aim, and which Socialism cannot attain.

Social wellbeing is not to be found outside of the happiness of those who constitute society; their happiness cannot be achieved by any one but themselves—by each for himself. All that the State can do is but negative—to prevent any one from invading and curtailing another's happiness, or the opportunity for producing his own happiness, to which he is entitled. Equal rights and equal opportunities, these the State can secure. Beyond this, not only can it do nothing, but every step beyond involves a curtailment of opportunities for the happiness

¹ S. and B. Webb, *Problems of Modern Industry*, p. 240.

of all and an infringement of the equal rights of some. This truth, so clear, so simple, so obvious, must guide all attempts at social reforms. To have overlooked it is the central error of Socialism; the point where its teaching leaves the path which, leading upwards and ever upwards, must ultimately lift mankind to the greatest heights attainable by it; where it enters upon the path which, leading downwards and ever downwards, must deprive mankind of all the progress which it has wrung from the pain and suffering of untold generations.