

Land and Freedom

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Current Comment

WE cite the following from a recent issue of the *New Republic*:

In the *New Republic* of April 22 appeared the sentences: "There is enormous waste in production and distribution. If it were eliminated, production per man could be increased, there would be more goods to go around, and prices could be lowered or wages raised or both." Mr. Bolton Hall writes us, "Would prices of land be lowered? I hardly suppose you will answer this awkward question." We find the question not awkward, but somewhat irrelevant. Increased productivity of consumers' goods or of capital equipment probably would not lower prices of land, at least directly. On the other hand there is little quantitative evidence, so far as we know, to prove what seems to be the implication of the question—that landowners would inevitably absorb all the benefits of increased productivity. There is indeed a danger that owners of both land and capital would get more than their share, and to obviate this danger we suggested collective bargaining as well as "a social strategy to plan the best use of the surplus created." To the many Single Taxers who write us every time an economic question is touched in our pages we give the assurance that such strategy might easily, in our opinion, include high taxes on land values, if scientifically levied. But it would also include many other things. Our quarrel with the Single Taxers is not that we deny the truth of their theory, but that we recognize other truths.

THE contention of Mr. Hall and those who believe with him, is not that landlords absorb *all* the benefits of increased production, but that as landlords they are not entitled to reap any of it, and that under present conditions they must continue to absorb what rightfully belongs to capital and labor. "Cooperative bargaining" will not remedy this injustice, and "a social strategy to plan the best use of the surplus created" (i e, wealth arising from increased productivity) are just meaningless words. There is nothing that can properly be called a "surplus;" there are wages to labor and interest to capital. Increased productivity is not "surplus" but more wealth that should go to labor and capital because of increased production due to their own exertion. There is no danger at all that "land and capital would get more than their share," since that share under conditions where the economic rent of land was taken for public purposes would be just what capital could earn for itself (in association with labor) and what land is worth for use.

ANYTHING at all would be more than landlord's fair "share," for he is entitled to nothing. If the *New*

Republic had courage enough to face the problem squarely it would be forced to admit that the landowner is a wholly useless member of society; that what he takes is the rent of land which he does nothing to create, save as a member of the community, and that his uninvited presence as one of the parties to the distribution of wealth is what really bedevils the situation. To talk of "collective bargaining" with one of those concerned in a position to determine the terms of the bargain—contributing nothing yet exacting continuous tribute—is to confuse the real factors in the distribution of wealth.

AS Henry George has said: "For labor cannot produce without the use of land, the denial of the equal right to the use of land is necessarily the denial of the right of labor to its produce. If one can command the land upon which others must labor, he can appropriate the produce of their labor as the price of his permission to labor." To correct this condition collective bargaining will not suffice; the only "social strategy" worth talking about is the adoption of the necessary legislation to put an end to it.

ROBERT M. LA FOLLETTE, so long the stormy petrel of American politics, has passed away. *De mortuis nil nisi bonum* is a stupid injunction. For it must be permitted us to speak the truth of both the living and the dead. If not, history would be a farrago and good men and pure souls and discerning and courageous leaders of mankind could not be distinguished from the other sort. All would be labelled alike.

SO in estimating the public career of La Follette it is necessary to say that he stood for nothing fundamental, that he did not care for fundamental truths, shrewdly surmising that these would be in his way. He is reported on good authority to have said that he "did not want to hear anything about the Single Tax since he had observed that such knowledge unfitted a man for public service." And he was right, in perhaps a profounder sense than he suspected.

SUCH "public service" as he strove to render, the few political reforms he was able to effect, certain judicial proposals of a more questionable character that struck at the organic life of the nation, and his support of the Philippine war of aggression—these comprise the record of his achievements. What is good in it is unimportant; what is of importance is dubious, or worse. His sugges-

tions were always for more socialism. Wisconsin's government is typical of the La Follette tendency—it is frightfully over-commissioned.

HE will have his successors, of course. These will echo his own frank statement, that he "didn't want to hear anything of the Single Tax since such knowledge tended to unfit a man for public service." We have said that in this he was right. For we have nothing to do with the passing political phases of a constantly changing situation. These come and pass—the seasonal political quarrels over the trifling questions about which people become excited for a brief period, the fate of which is no concern of ours. Over it all, it should be our duty to lift high the banner of light with the truth emblazoned thereon, that the earth is the birthright of mankind, that the rent of land belongs to the people and that it is the first duty of government to collect it. Our place is not with those who war for the futilities of partisan politics. Our office is higher than that. We wrong the cause of which we are disciples by the support of men and leaders who care nothing for our principles. It should be little to us whether they fail or triumph. That there are other questions of importance in the world beside our own, is conceded. But life is too short, and the progress of truth too slow, to fritter away our efforts in the support of causes relatively insignificant as compared with the inalienable rights of man to the earth he inhabits. La Follette was right. A faithful adherence to this great truth unfits one for service in behalf of the things that count for so little.

COMMENTING on the unemployment question in Great Britain the *Cleveland Press* has this to say:

"Of course no government can solve a large unemployment condition. It takes cooperation among all the nations to do that. No nation lives to itself alone, and no nation can keep its population profitably employed for long unless the people of other nations are able and willing to buy some of the products of its workers' toil."

WE instance this as a result of the confused thinking so widely current among editors. Where did the writer derive the curious impression that the workers of a nation cannot be employed "for long" unless they can sell to the people of other countries the products of their labor? It is hard to deal with fallacies of this sort, since the burden of proof is on those making such statements. But perhaps a little discussion of the problem will help.

Any solitary individual may make his living if set free on an island naturally fertile, just as Robinson Crusoe did. But when others settle near him the exchange of products begins and the circle of satisfactions is enlarged. This is the advantage that trade and the division of labor confer; the freer it is, and the wider the area over which trade

operates, the wider the circle of satisfactions and the greater the ease with which wealth is produced.

But whether this circle be large or small, as long as there is access to the natural resources, there need be no unemployment. Where men are free to produce, they will want more of the things that others are producing, and thus there is an "effective demand," as the economists say, that insures steady employment. But when there is an artificial restriction of the natural opportunities, when land is fenced in and undue price asked for its use, production is curtailed and unemployment begins.

NOW merely to widen the circle over which trade is extended, (production being carried on everywhere under the same handicaps) is to accomplish nothing. To assume that by multiplying the numbers of those participating in exchange is to solve the unemployment question, is a curious fallacy. Trade being the same everywhere, that is, domestic trade being the same as foreign trade, the exchange of goods for goods, no increase in numbers alters the problem in the slightest degree. Nations do not trade—individuals trade, and every nation has within it the resources necessary for abundant production of all that is needed to sustain life; and with no interference with internal trade, there is constant and lucrative employment.

THAT free trade between nations is the natural trade, and that the circle of satisfaction is widened thereby, is conceded. Tariff barriers *do* interfere with employment and limit the opportunities for greater abundance. But with or without tariffs, there are in every country all the factors that, predicated access to natural opportunities which are all included in the term land, secure all wealth producers a livelihood. There should be no question of unemployment anywhere.

AS for Great Britain, she has ample resources within her own borders for her wealth producers. But these resources are privately monopolized—that, and not the present partial cessation of the ability of peoples of other countries to buy her products, is the main reason why there are vast numbers of unemployed in the nation. Will not the *Cleveland Press* think about this?

GOVERNMENTS and peoples are not yet awake to the real solution of the land question, and thus of most all their economic troubles. But they are, as never before, realizing the importance of a more equitable distribution of ownership in the earth's resources. The International Labor office at Geneva through its organ, *Industrial and Labor Information*, has published surveys of land reform in Czechoslovakia, Poland, Bulgaria, Finland, the Serb-Croat-Slovene kingdom, Greece and Roumania. In Roumania a total of 5,713,577 hectares of land has been expropriated to over one million cultivators. It is stated

that labor leaders in Geneva believe these changes in proprietorship in land in favor of hitherto landless peasants will bring about great social changes.

THAT such changes will bring about some slight amelioration of conditions may be conceded. But no more. The system from which flow most of the miseries that afflict mankind remains unaltered. Some individuals—maybe great numbers—will be benefited; the status of the great mass of men and women composing these nationalities is unchanged. If greater prosperity throughout the nations results from this wider distribution of land it will soon be swallowed up in increased land values to the further impoverishment of those who own no land. Systems of taxation remaining the same, all classes—including peasants put upon this expropriated land—must continue to bear the same burdens of taxes direct and indirect.

IN his Theory of Human Progression that remarkable Scot, Patrick Edward Dove, landowner and seer, indicated his belief that before mankind accepted in practice the great principle of economic emancipation that consists in taking the economic rent of land and thus securing the equal rights of all men to the use of the earth, they would try Socialism and all conceivable makeshifts. In the social upheavals in Europe following the World War this prediction has been amply fulfilled. Nations will try everything before they try the real thing, for several reasons: First, the remedy proposed by Henry George is logical and the race is not logical; secondly, it is simple and the tendency of the human mind is to see the simple only after it has exhausted the complex; thirdly, because it is just, and people would rather be generous and kind than just. Yet in these reflections there is nothing disheartening. Men will finally see it—enough of them will become active workers in it to move the apathetic mass. This cause will triumph because the human race must go on, and to go on the obstacles in the path of its progress must be removed. However depressed we may at times become at what we are apt to regard as the slow progress of the movement, this milestone in the journey of mankind must be reached. In the meantime let the truth be proclaimed—**THE EARTH MUST BE MADE FREE TO THE CHILDREN OF MEN.**

IT is a good world. How kindly people are! How eager they are to do the right thing and how they blunder so in doing it! They would be charitable, generous in giving—they would even be just if they knew how to be just. And they hate the word charity instinctively—perhaps because the figure of Justice looms almost threateningly in the background. So it is that the Federation of Jewish Charities in Cleveland proposes to drop the word "charity" and substitute the word "welfare" or "social service," as if by changing the name they could escape the thing!

NEVERTHELESS it is a good sign. Those in need of temporary or permanent relief are entitled to receive it—not as charity but as justice, out of a fund which comes from their presence, to which they have contributed at some time if not able to contribute now, and which they are entitled to draw upon in case of disability. And if this were taken—the economic rent of land—there would be far less need than now of public charity. This is but a clumsy substitute for justice, and the time will come when the Federation for Jewish Welfare will recognize why they are sub-consciously ashamed of the word charity in this connection.

GOVERNOR SMITH is endeavoring to put through his park programme on Long Island, and he finds himself up against the land question. The owners of great estates barring the people's entrance to fifty miles of shore front, are opposed to the park programme of the governor. The *New York World* says: "These estates were acquired years ago when land was cheap and when the city was far away. Now land is dear, the automobile has brought the city right up to the great estates. * * * If the big owners in Nassau County will read a little history they will learn that the only way to forestall a movement to break up their great estates is to provide before the pressure becomes too great for the comparatively modest needs of the landless people of New York." And it adds: "In a very short time the need will be so urgent, the popular pressure will be so great that a much more drastic programme will be agitated * * * There never was an issue which could so easily be used to inflame the popular feeling against the rich."

THE *World* does not see of course what is involved in all this. The writer of the editorial is probably sincere in his belief that to question the right of the owners of these great estates, a question which he fears may be put if they do not yield a little, is to inflame the poor against the rich. He does not see that it is a question of the rights of property, of property rights against human rights, but sees in it only a conflict between rich and poor that may come as a result of the unwillingness of these landowners to yield something to the landless. How a great question is here degraded! How lost to sight a great principle of equity!

THE *Outlook* wants to know what has become of the following high-sounding plank of the Republican platform adopted at the last national convention of the party:

We favor the creation by appropriate legislation of a non-partisan Federal commission to make a comprehensive study and report upon the tax systems of the States and Federal Government with a view to an intelligent reformation of our systems of taxation to a more equitable basis, and a proper adjustment of the subjects of taxation

as between the National and State Governments, with justice to the taxpayer and in conformity with these sound economic principles.

PERHAPS there was an earthquake recently in Santa Barbara. Then perhaps there was not—maybe only a slight trembling of the earth resulting from the passing of some heavy automobile trucks. But even if there was an earthquake, it must not be allowed to interfere with the real estate market. Mrs. Hazel M. Grant, who is a prominent realtor, is reported in the *Pasadena Star-News* as expressing herself very decidedly on this point. The Santa Barbara earthquake was only a vicious piece of publicity and eastern newspapers are hereby cautioned to be more careful in the future. Mrs. Grant says:

Careful observers are of the opinion that this will be one of Southern California's most prosperous years.

"An important duty faces the people of Pasadena and Southern California. Every one should immediately write East and dispel any wrong opinions about the earthquake that may have arisen from vicious publicity. Already large numbers of telegrams have been received inquiring about property conditions in Pasadena and vicinity, and letters written containing the truth about the earthquake, would alleviate the anxiety in the East.

"This is particularly true with people of this city, for so many Easterners who come here, include Santa Barbara for part of their stay.

"When it is considered that Santa Barbara is one of the oldest communities in Southern California, and many of the buildings that fell were of antiquated construction, the property loss is not so large. The loss of life is also small. Any day that number are killed in any large city through accident."

No Mere Fiscal Reform

IT is no mere fiscal reform that I propose; it is a conforming of the most important social adjustments to natural laws. To those who have never given thought to the matter, it may seem irreverently presumptuous to say that it is the evident intent of the Creator that land values should be the subject of taxation; that rent should be utilized for the benefit of the entire community. Yet to whoever does think of it, to say this will appear no more presumptuous than to say that the Creator has intended men to walk on their feet, and not on their hands. Man in his social relations is as much included in the creative scheme as man in his physical relations. Just as certainly as the fish was intended to swim in the water, and the bird to fly through the air, and monkeys to live in trees, and moles to burrow underground, was man intended to live with his fellows. He is by nature a social animal. And the creative scheme must embrace the life and development of society, as truly as it embraces the life and development of the individual. Our civilization cannot carry us beyond the domain of law. Railroads, telegraphs and labor-saving machinery are no more accidents than are flowers and trees.

—HENRY GEORGE.

New Subway Plan Brings Our Principles To Notice

THE proposal of Chairman Delaney of the Board of Transportation of this city to tax the benefited area for the construction of new subways, closely allied to our contention that land values should pay for the public services that help to create these values, is bringing our principles into notice.

Chairman Delaney in his report says:

"The Rapid Transit Law authorizes assessment of the whole or part of the cost of rapid transit railroads upon the property benefited. All property in the areas served by the existing rapid transit lines immediately doubled in market value when construction was authorized, and all property bordering on the lines has increased in market value in far greater amount..

"The present and prospective borrowing capacity is not sufficient to provide all the funds that will be needed during the next three years for rapid transit and all other public improvements.

"The financial policy adopted by the city will determine the rate of fare that must be charged to make the system self-supporting from revenues."

Elsewhere the report states: "Property along the lines would be at least doubled in value and would supply twenty five per cent. of the original cost, and have ten years in which to pay the assessments." The report points out that to finance the subways entirely by fifty year bonds would add 15 per cent. to the cost of construction, and compel a higher rate of fare.

The Hearst papers are enthusiastically for the plan and a few extracts from the many editorials in the *New York American* will be of interest. It is important to note that it is just such incidents as these that from time to time will bring our principles to the notice of the people.

"After all, the subway is nothing but an underground street and the financing of the subway should be handled in the same manner as the building of a sewer, street or other public improvement."—*N. Y. American*, June 13.

"The streets, sewers and bridges are all built by assessment. The subway is nothing more than an underground street and properly should be built upon the same economic basis as streets, roads, bridges and sewers."—*N. Y. American*, June 9.

"Under Mayor Hylan's plan the passenger will pay his part and the landlord will pay his part—and this means a five-cent fare!"—*N. Y. American*, June 10.

If the landlords do not pay their share and the subway passenger has to pay the landlord's share in addition to his own, then the passenger's fare will be eight or ten cents.

Nothing could be more dishonest than to compel the subway passenger to pay for the privilege of doubling the value of the landlord's property!