

THE PHILOSOPHY OF THE SINGLE TAX.

(For the Review.)

By **JAMES F. MORTON, Jr.**

Unlike the many reforms, which are so vigorously exploited at the present time, and which seek to relieve particular social ailments by empirical remedies, the Single Tax is not a mechanical application, but the methodology of a far reaching social philosophy. It is not merely a fiscal readjustment, by which automatically to bring about a more equitable distribution of wealth, or rather of the opportunities by which wealth may be honestly acquired. It is not simply a more convenient and equitable method of taxation. It is not only the application of ethics to economics, nor simply the unshackling of labor through the freeing of the land. It is all of these; but it is much more. It is the expression of a natural law, as fundamental in the region of sociology as the law of gravitation in the physical realm.

This most important side of the Single Tax principle does not always find adequate expression in our propoganda. It is occasionally missed by our own friends, and continually so by those who reject the Single Tax because the name signifies to them something far different from the actuality. The fiscal argument is commonly heard from our platforms; and the ethical appeal is almost as common. The opposition is based on a mistaken fear that the Single Tax is the entering wedge of an invasion of property rights.

A clear conception of the Single Tax philosophy would strengthen our supporters and remove the fears of those who deem themselves our opponents. So far from being invaders of property rights, the Single Taxers represent the only class of publicists who know the meaning of private property, and establish that valuable social conception on a secure and lasting basis. The philosophy of Henry George stands by itself in its clear distinction between that which belongs to the individual and that which belongs to society as such. This distinction is so simple that its bare statement is self-convincing, and might well appear superfluous. It is only the law of equal justice: to each his own product, or a full equivalent voluntarily accepted therefor. Yet the failure to grasp and apply this elementary principle is responsible alike for our social and economic maladjustment and for the failure of the proposed remedies, whether reformatory or revolutionary. Nothing in society can be right when the whole social structure rests on a rotten foundation.

The absorption by the community of the income resulting from land values is not merely a convenient means of raising revenue. It is a revolution in the whole conception of equitable taxation. Even more strictly it may be termed the elimination of the idea of taxation. Instead of arbitrarily taking from the individual some portion of his personal property for the benefit of the community, the Single Taxer requires that the rights of the community

and those of the individual be observed with equal strictness. Both are alike equitably entitled to the values created by them respectively. The community, and only the community, is entitled to economic rent, because the community, and only the community, is the creator of the land values out of which such rent arises. Every dollar of economic rent retained by any individual is stolen from the community. That which no man has produced belongs to all alike; and it is the community, representing all without exception, and rendering its equal services to all, which is alone entitled to recompense for the private use of the common heritage. Where there is no community, exclusive possession has no economic value. Where the common property is incapable of private and exclusive use, and may at all times be simultaneously enjoyed by all who wish, there is no recompense to be made. But where the common property is capable of subdivision, and where exclusive and undisturbed occupation is necessary to its productive use, a value arises proportioned to the productive and profitable use which can be made of the particular subdivision, and to the consequent degree of the demand for the privilege of taking and maintaining possession. Were the population of the earth, or of any region of the earth reduced to a single individual, there could be no land values. Were land capable of indefinite multiplication, under conditions involving the absolutely equal desirability of all portions of it, there would again be no land values. Could land be used by all alike, without getting in each other's way, there would still be no land values. Hence as a rule, no value attaches to the air or to the ocean, which belong to the economic concept of land. Under conceivable imaginary conditions, however, either of these might become subject to subdivision and private control; in which supposable case, a rental value would arise, every cent of which would equitably belong to the community.

The Single Tax philosophy is fundamentally a denial of special privilege. The community, which represents all its members alike, cannot justly be suffered to exhibit favoritism toward any. If a grant of any nature is made to one, all the others are entitled to full compensation. The Single Tax thus applies to economics a foundation principle of democracy, which is equally applicable to every other phase of social expression. Neither in tangible wealth nor in intangible honors or favors can any individual justly receive that for which he has not rendered to society a complete equivalent. This involves, of course, the unqualified condemnation of every form of hereditary aristocracy, official or unofficial, and every form of political, economic or social discrimination for or against any citizen on grounds of ancestry, race, color, sex or other accidental circumstance. If these obvious applications of democracy are forgotten by many self-styled patriots, from the champions of race prejudice and of sex disfranchisement to the silly worshippers of hereditary titles and the members of the Daughters of the Revolution, the descendants of the Signers of the Declaration of Independence, the Order of the Cincinnati, and other societies requiring an ancestral qualification for membership, they find their fullest and most consistent expression among the followers

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of the Single Tax. Our philosophy carries into the economic realm all that was so ably established by Paine and Jefferson as the foundation of a sound political system. It is in the philosophy of Henry George that the eternal truths of "The Rights of Man" and the immortal Declaration find their culmination.

Some nineteen centuries ago, it is related that a reformer sprang up in a land which was in theory a theocracy, but was at the time subject to a foreign power. Wishing to tangle the reformer up in a declaration which might be interpreted as either blasphemy against the theocracy or treason to the dominant political body, certain persons hostile to the new propaganda are said to have demanded an answer to the question whether the people ostensibly subject to God alone might lawfully pay tribute to Caesar, the ruler now in control of their destinies. The answer was couched in the words: "Render unto Caesar the things which are Caesar's, and to God the things which are God's." As the reply was based on evidence that the coin in which tribute was to be paid bore the impress of Caesar, the inference was that since Caesar represented the established government, from which the people received protection and which regulated their financial and other civic relations, it might lawfully claim tribute from a people who nevertheless were bound by their religion to render to their God the worship claimed by him, and to follow his commandments in their everyday life. The motto of a truly democratic country must be: "Render unto Caesar the things which are Caesar's, and to man the things which are man's." The ruling power in a democratic state is merely the steward of the people; and its officers have no authority in themselves. It is their duty as public servants to receive on behalf of the community that to which it is entitled at the hands of individuals, and to administer this common property for the equal benefit of all. Neither in tangible nor in intangible matters has any officer of government the slightest shadow of moral right to use the powers entrusted to him for any personal, party or sectarian purpose, either in relation to the public funds, to grants of public land or to appointment to office or removal from it for personal or party reasons of any nature whatever. If man is to render to Caesar his due, Caesar must keep his part of the bargain, since Caesar is simply the representative of collective man. The Single Tax renders to Caesar his full due, by placing in his hands the revenues belonging to the community because produced by it, and demands that Caesar in turn render to man his due by honorable administration and by protecting the individual in the full and untaxed enjoyment of all that man produces.

The most significant feature of the Single Tax is not the burden which it imposes, but the burden which it removes. It ends forever the penalization of industry involved in all actual or proposed systems of taxation. It punishes no man for doing useful productive work. It breaks down the high cost of living by rendering monopolization of resources and gambling in the necessities of life forevermore impossible. It encourages production by removing all taxes from improvements due to human effort. It leaves every producer free

to enjoy the entire result of his labor without being harassed by the necessity of paying tribute for the privilege of producing. It requires payment of economic rent only from those who voluntarily decide to assume exclusive occupancy of some portion of the common heritage. As this rent is scientifically based on the relative desirability of the land occupied, it can never rise so high as to make occupancy unprofitable to those who choose to make normal use of such land for purposes of production. This can easily be demonstrated mathematically; and it will be evident on reflection that the relation between economic rent and the real worth of the land to the bona fide producer must automatically so adjust itself as to remain constant. No burden, then, can fall on any save on those who desire to own land for speculative ends or for purposes of ostentation or the mere idle greed of possession. While such abnormal attitudes exist, the few who cling to the unproductive occupancy of the people's land will return to the people in the shape of economic rent the full equivalent of the privilege thus enjoyed by them. During the period of transition, no one need grudge the possessors of bloated fortunes, created through past monopolistic advantages, the gratification of a whim for the indulgence of which they will bear the brunt of the community's expenses. As their swollen incomes dwindle through constant expenditure without return save in the satisfaction of their vanity, bit by bit they will find it necessary to retrench by surrendering their excessive share of land to those who are prepared to use it for productive purposes. The ultimate result will therefore be the utilization of all land for the production of wealth or for the health and enjoyment of the people as a whole, and the simple payment of a reasonable and moderate rental by all users of land, bearing such natural relation to its productivity that it can become burdensome to no legitimate producer and that the relative advantages of all workers are equalized, leaving the degree of success to be obtained by each solely dependent on his capacities and his personal merits. This is pure justice, furnishing the natural soil for the growth of all the social virtues. It hinders no other step in social progress, and is compatible with any degree or kind of group or communal co-operation which future experience may show to be desirable or advantageous. It lifts the foot of the strong from the neck of the weak, renders involuntary poverty an almost incomprehensible nightmare of the undeveloped past, and establishes a stable and lofty civilization on the secure basis of natural social justice.

A CHANCE FOR THE SOMERS SYSTEM.

A foreign news note announcing a proposed tax by the city of Berlin on places of amusement says, perhaps with unconscious naivete: "These places are to be *taxed according to the degree of enjoyment manifested by the audience.*"