

and the robber is unconscious of robbing, the results are just the same—most likely worse. For as was observed long ago by Plato, “It is the perfection of injustice to seem just without really being so.”

But in rejecting moral law they were impelled presently (excepting the so called laws of “Malthus” and of “Diminishing returns in agriculture,”) to deny the existence of any economic laws at all “That will save the statesman the labor of *working out each case on its merits.*” Thus, “It being as good to be in the dark as without light,” they really admit their books to be worse than worthless, for the time spent in reading them must be wholly lost.

Though among the people (including economists) of Europe and America no belief for ages has been more general than that land is capital; and to be included in the term “Wealth,” some economist is ever making the “Most important discovery” that land is capital. Thus Perry finds (1881) that “The largest part of all saleable land is nothing more nor less than capital,” a discovery that will cause “The difficulties that have perplexed economists and statesmen . . . mostly if not wholly to disappear.” And John Bates Clark, of Columbia, in treating land as “Capital-goods,” “Rent as merely a part of interest,” and “Rent and interest as describing the same income in two different ways,” is thought by many of his scholastic critics, and by himself too, to have made an important discovery. In the same belief Professor Plehn, of California, in his *courteous* letter to me, “Finally land *is* wealth, land *is* capital. . . I am at present at work on a theory of distribution which does not leave room for the senseless and unbusiness-like distribution between land and capital—an elaboration and simplification both, of Senior’s ‘Analysis,’ which is hinted at once or twice in my ‘Public Finance.’”

Serious as the matter is, such Dogberry wisdom forces one to laugh in spite of himself.

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In political economy, from the beginning, the great difficulty has been to define the term “Wealth”—the very object noun, or subject matter of the study. For, not only to the professors but to most men who have not thought upon the subject, land seems to be by far the most important item of wealth,—termed “real wealth,” as being the most secure form of all wealth. This long continued habit of estimating land caused the Physiocratic definition of wealth, which excluded land, to be rejected, and, eventually, the Ricardian theory of rent to be denied. Thus ever going from bad to worse, the writers treating capital and labor as the *two* essential, yet *antagonistic* factors of production between which there is and always must be conflict, have been fatally lost in such a labyrinth of confusions and contradictions, that should a professor of geology, or of astronomy, attempt to convince his class by means of the same “logic” that economists use, and with which economic books are filled, he could not hold his chair for an hour.



PRESENT CONDITIONS OF THE SINGLE TAX MOVEMENT IN NEW ZEALAND.

(For the Review.)

By MERVYN J. STEWART.

On being invited to report on the present condition of the Single Tax movement in New Zealand I am only too conscious of the higher qualifications of many of my brothers. As a farmer by occupation, a political agitator, not specially successful, by preference, and an unpaid municipal officer by relax-

ation, literary style is not a vital or constant object; but my facts are at least accurate, if the medium be not ornamental.

The Single Tax movement in New Zealand dates back to 1875, when our "grand old man," Sir George Grey, was in constant collaboration with Henry George across the Pacific. The only men of their century fully worthy to be colleagues worked together over the MS. of "Progress and Poverty," a fact which George has placed on record, and it was with the full approval of the prophet that the warrior Premier by his Colonial Treasurer, John Ballance, enacted a land-value tax in 1878 (Oct. 28th). The franchise in New Zealand was then very restricted; the first joint in the serpent's tail is the hardest to chop off. Members were apathetic, if not corrupt. Progress and Poverty was not to dawn for a year yet, and by a secession of his pledged followers the peerless Imperialist-Democratic leader was cast from office, and an amendment including all personal property and improvements on land as taxable was passed in October, 1879, almost to the ruin of the colony, and to the utter destruction, after a fair trial, of the party responsible.

In the early eighties Anti-Poverty societies were started all over the colony, mostly to wither away for lack of support. Honor to the lonely pioneers who by their failure made a way by which we may hope to succeed! In Auckland alone the Anti-Poverty Society, later the Ground Rent Revenue League, and later the Auckland branch of the Single Tax League, has survived, issuing *Justice, Forward*, and now *The Liberator* (still strong at the fifth year); and as the nucleus of a group of men with influence out of all proportion to their numbers. President Geo. Fowlds, member of the (lower) House of Representatives, Secretary Fred. M. King, Geo. Stevenson, Thos. Webb, Vice-President Edward Withy, ex-M. H. R., T. L. Stevens, Wm. Young, are some of the leaders in Auckland, now with us, besides many Government officials who have no platform politics.

In 1879 manhood suffrage was enacted by the Hall Ministry, which fell after a long fight in 1884. Sir Robert Stout, a land nationalist, succeeded, and was beaten in 1877 by Sir Harry Atkinson's Tory party, which enacted the "one man vote" franchise extension. During this term partly by reiteration of Henry George's teaching by Ballance, Sir George Grey, and partly by the large Scotch-Irish element in our people who were used to "Ulster custom" (that a landlord should not increase the rent for improvements made by the tenant), a very widespread municipal agitation for powers to free improvements on property from local taxes ("Rates," as we say) were growing up, which the Stout and Atkinson parties opposed alike. The culmination occurred in 1889 when at a conference of County Council Chairmen in Auckland a motion demanding powers to rate only "unimproved values" was unanimously passed on the motion of Capt. Donald MacMillan, Royal Navy, who represented this County of Tauranga, and was my own immediate predecessor as Honorable Clerk of the Kati Kati Road Board, and my political Gamaliel.

The general state of the colony then was very bad. Soup kitchens were going, state relief works paid equal to 60 cents a day, tariff duties were raised, a tremendous impetus was given to Neo Malthusianism, the birthrate falling from 37 in 1879 to 29 in 1890, and the loss by emigration was over 20,000 in the last years of Tory government. Henry George made his flying tour of Australasia just when the failure to obtain benefits to labor by the old methods was fully shown by the almost civil war throughout Australasia of the great Seamen's strike; the Ballance party took new heart and won a decisive victory at the general election on December 5th, 1890. A highly composite ministry was formed, which has held office over four subsequent general elections with increasing public support. Sir Robert Stout was excluded, but MacKenzie, Minister of Lands, was a land nationalizer (now late Sir John Mac-

Kenzie); Reeves, Minister for Labor, was a Socialist (now Sir W. P. Reeves, Agent-General in London); Ward was hostile to all reforms, but a good business man, made Treasurer (now Sir Joseph Ward, Postmaster-General); Seddon, Minister of Defence, was the only colleague Ballance could really rely upon, although the hatred of the property tax kept all in line. To crown the troubles, the (upper) Legislative Council, nominated for life by the "Crown" or rather the Premier, were to a man hostile, and were backed by a sympathetic Governor, Lord Onslow. In 1891, after a lot of fighting, Ballance secured the appointment of Councillors for seven years only, and put in thirteen with a threat of as many more if needed. Lord Onslow resigned. An Act was passed levying a tax of one penny in the £1 (4 1-6 per cent.) on the value of all land in private hands, with an exemption up to £1,000 of £500, ceasing by steps at £1,500, and a graduation from £5,000 to £210,000 of at most 1*d.* more by steps of 1-8*d.* This was supposed to get at the large estates and conciliate small holders, and still stands, except that the graduation tax is now at 2*d.* extra maximum, the extra penny being added last session without opposition. A growing movement is for reduction of the exemption to £200 or £300 at most, but it is understood that Ballance promised not to increase the tax or lower the exemption as the price of getting through an Act at all, and that Seddon, now Premier, considers himself bound by this. The municipal Single Tax law was defeated four times by the Upper House, and only passed in 1896 on a compromise that one-third of the property owners on the roll must vote to carry it by a majority, and that a vote should not affect taxes for lighting, water, hospitals, poor aid, and drainage, being thus restricted to (A) "general rates" from which if desired any of the above may be met, and (B) "special rates" devoted to paying interest and redemption on specific local debts.

A lot of labor legislation of humane intention and doubtful value was also passed. With Ballance's weakness and death in May, 1893, the land nationalization people captured the Liberal party, and have since borrowed millions on millions in London to buy up large estates at wasteful figures and subdivide them for settlement at a profit. Crown lands of course have to be withheld from settlement at fair rates while the game of beggar my neighbor goes on; and the nationalizers are so indifferent to the rights of the people that in the three tenures they offer (A) sale for cash; (B) occupation at 5 per cent., with right to purchase freehold within 14 years; (C) lease in perpetuity at 4 per cent. without right of purchase, there is no provision for participation in land values by the public. By the way, the land value of the colony in private hands, some £75,000,000 is exactly the balance of the national liabilities—sales of Crown land, municipal debts, and the national debt together, and has exactly risen to balance these ever since they have been assessed. Ergo, the landowners have got all the money borrowed, and what they paid for the right to get it, back again!

To conclude with Sir Robert Stout. He was much injured at Seddon's assuming the Premiership, and after a spell as an Oppositionist accepted the position of Chief Justice, and quit politics. His penultimate seat was Buller in the southern gold fields, which was contested by a young Irish Single Taxer without success. Nevertheless Sir Robert did not again try for that seat and "Pat" O'Regan held it over two Parliaments, in which he advocated vital reforms with an eloquence and directness unequalled in our time in New Zealand, introducing Bills for Referendum and Effective Voting, and for State note issue in place of borrowing and above all for national and municipal Single Tax with splendid devotion. His seat was lost in 1899 largely by an unjustified imputation of Pro-Boerism, and in 1902 he contested Sir Robert's last seat, Wellington City, the capital; receiving 6,304 votes, a defeat by under 400.

Without doubt our leader will be restored to us next year if his life and powers are spared.

After three years trial of the municipal Single Tax law the provision that one-third must vote to make a valid poll was wiped out as intolerable, votes of 112 to 2, 122 to 20, 462 to 20 and so on being of no effect, and a straight-out vote can now be taken. Every district in which a non-effective poll was taken has now been re-pollled, over 12 in all, and only one gave a majority against us, Petone, a suburb of Wellington. Against this may be set Woolston, a suburb of Christchurch, which gave first a non-effective poll against us, and later an effective poll in our favor. One effective poll in our favor has been challenged, Normanby, a village on the west coast of the North Island, with disastrous results to the challengers, at the expiring of the statutory three-year term; while we have challenged a rejection (the first) at Picton, a suburb of Wellington, and won by a big vote. Results are as follows, tabulated to date.

There are 78 counties qualified to bring in the act: we hold 15, no rejections or challenges, several non-effective polls repeated, one being this Tauranga County. There are 103 Boroughs qualified, we hold 31, one a convert as above, none lapsed, several non-effectives reported all captured but one. "I regret to report" eight so far have gone against us. There are 34 town districts and 86 road districts (county subdivisions under an old system of local government) qualified to introduce the act, and we hold 24 of these.

In another way—we hold scattered counties all over the colony, no two being actually contiguous. Boroughs run in groups, as Wellington and *all* suburbs but one; Christchurch and *all* suburbs; Palmerston North and all boroughs and counties about for miles in a growing radius; smaller groups elsewhere of later date are promising well. In another way, one-third of the total local taxation of the colony is now raised from land exclusively, and two-thirds from land and improvements in moieties.

Auckland City went against us, the only serious blow, and due largely to the prominence of whole hog Single Taxers in Auckland, whose doctrine the colony is not yet ripe for. It is thus rather a testimonial that we raised together 800 against 1,650. Wellington gave us 1,300 to 600, Stratford 399 to 23, Waipawa 462 to 28, little Maraetai 16 to none! In reckoning Single Tax progress I must not forget the steady hewing out in 1900-3 of great blocks of tariff; kerosene, tea, fruits, and a lot of necessaries being now on the free list, while a large body of Liberal opinion demands a free breakfast table, cotton fabrics, linoleums and similar revenue taxes; the leader being Henry George Ell, who is as near a "whole hogger" as times allow, and one of our most able Parliamentarians, who has fought in some dozen rating polls with brilliant success.

A Parliamentary Land and Taxation Reform group has associated itself this last session under the chairmanship of our President Fowlds, comprising all the best of the Liberal party, and pledged to work for "reduction of taxation on the necessaries of life and securing of the unearned increment for public purposes." If he holds his position we may look for real good in this. Of course, it can only be by steady semi-secret pressure on the Ministry, and continuous platform work in the country. A Wilson Hogg, Thos. Taylor, Robt. McNab, G. Laurenson, W. W. Tanner, H. D. Bedford are perhaps the best known in the movement where all do their best besides Fowlds and Ell.

There are now several taxation polls pending, Waihi Borough and Olimemuri Co. I look for extension of the act to cover all local taxation soon, and a general increase of local taxation with reduction of State grants before long. I have tried to show a generation of breaking down of barriers in response to genuine popular demands, of slow advances with never a betrayal or setback, of desperate legislative efforts after other panaceas,

always recalled into line, and of a handful of men like yourselves, isolated, poor, unflinching, consumed with ardor, enlisted for life. With such a record in the past, who dare doubt of the future ?

ATHENREE, NEW ZEALAND.



COLORADO'S ECONOMIC DEVELOPMENTS.

BY JAMES W. BUCKLIN.

The turmoil and official lawlessness which Colorado is now exhibiting are the natural results of golden opportunities heretofore rejected. In order to understand the Colorado situation it is necessary to go back at least three years in the history of our state. At that time an eight hour law passed two years before, had been rendered void by a decision of the supreme court of the state. The legislature was now in session. It was almost solidly Democratic in both houses, with a Democratic Governor and state officials. It passed and submitted to the people six very important constitutional amendments by more than the constitutional two-thirds vote, and also revised and adopted an entirely new revenue law, containing many important conditions and omissions.

The six constitutional amendments were more or less of a compromise. Three of them were in the interest of plutocracy and were condemned by organized labor, and three of them were in the interest of Democracy and were endorsed by organized labor. One of the three plutocratic measures limited the ballot to those who had resided in the state one year and to citizens of the U. S., a residence of six months and declaration of intention being all theretofore required. By this means considerable numbers of workingmen and their wives were disfranchised. The other two plutocratic measures consolidated state, national and local elections, making such elections biennial, thus enormously increasing the power of the political machines. The three Democratic measures were 1st, the eight hour law made necessary by the adverse decision of the supreme court ; 2d, the amendment consolidating the city and county of Denver and increasing its home rule powers, and 3d, the Australasian tax amendment. As soon as the legislature adjourned a powerful and persistent attack was made upon the Australasian tax amendment, and upon the new revenue law. Thereupon a special session of the legislature was convened to repeal the constitutional amendment, and to amend the tax law. The law was amended, but the attempted repeal was defeated. Plutocracy felt that it could not successfully attack the eight hour amendment before the people, but raised an enormous corruption fund with which to defeat the Australasian tax amendment, and with which to organize the large land and mine owners, the corporations and plutocratic element generally. Such organization then made has been the most potent force behind the Peabody administration since his election, although the name of such organization was changed from that of "The Anti-Bucklin League" to "The Citizen's Alliance." This large corruption fund and powerful organization frightened and paralyzed the Democratic party, causing it to refuse to either endorse or condemn the amendment, although it was the principal issue and the only one arousing any interest in the election. None of the Democratic leaders of the state dared to raise their voices in its behalf, although a majority of them had previously endorsed it. The result of this cowardly policy was that both the amendment and the Democratic party were defeated, the Populist party which had endorsed the amendment polling a considerable vote. I am satisfied that had the Democratic party of Colorado been Democratic and endorsed it, both the amendment and the party would have been successful, and Peabody's administration and the crimes following in its