

that it may be brought about gradually. It may be that the great change we advocate should come about suddenly lest a worse thing befall us.

WHY will men be so timorous of achieving the great and true through travail and trouble? Why should they shrink from the minor difficulties in effecting a change in conditions that will restore the balance of the world? We are talking now to a man who knows, and we do not have to lecture. He knows all this as well as any reader of *LAND AND FREEDOM*. Besides, he is a man of vision with an outlook on the world that transcends the ordinary man's gift of seeing. How with such mental and spiritual equipment can he think as he does?

IF the change we advocate is rejected, there are two ways open in the path that must be trod by civilization—revolution or chaos. If apathy and social prejudice now make difficult or impossible the necessary change; if outgrown institutions enlist in their support the influence of the learned and powerful, the sanction of organized religion, and the voice of a subsidized press, it is not more than has happened to protect, defend and favor every hoary superstition which the demands for a fuller life have sought to overthrow.

The Land Question in India

IN several districts of Bombay, too, where an intensive political campaign has recently been carried on, the villager has begun to question the justice of the taxation system (with regard to land rather than salt, the latter duty being a selected object of attack and no real grievance) and to adopt methods of passive resistance. Similarly in Oudh, the region lying in the center of the great northern plain, the payment of rent to landlords is being refused. But elsewhere, with rare local exceptions, the peasant remains quiescent and is occupied with other than political thoughts. * * *

The Indian peasant ordinarily owns from three to twenty acres. In some provinces the tenant class is larger, but only in the south of India is the landless man, often a pariah or outcast, a major problem: The tenant's holding also will be of the same size, and his status is not necessarily below that of the peasant owner; but owners predominate, and, except in tracts favored with canal irrigation, draw a bare subsistence from a tired soil. * * *

No scheme for the reform of the landlord can be produced in a few moments. A growing section of liberal opinion is in favor of his expropriation, with or without compensation.—"The Indian Village and the Indian Unrest," by C. F. Strickland in *Foreign Affairs*.

LET no one imagine that he has no influence. Whoever he may be, the man who thinks becomes a light and a power.—HENRY GEORGE.

Outwitting Communism

(BROADCAST BY FRANKLIN WENTWORTH OVER YANKEE NETWORK FROM BOSTON RADIO STATION WAAB)

A GOOD many Americans are sick of official investigations, fact-finding projects and analyses of economic conditions. Even among radicals there is a growing impatience with, if not contempt for, the members of their fraternity who are still using the space afforded them in current periodicals to suggest that things in human society are awry. It would seem that this sort of economic writing has reached its logical limit, and further indulging in it will not advance us much. What we wish to be shown is what we may do. In what direction or along what path shall we travel? What is the desirable goal? And why is it desirable? If we can decide these questions even theoretically we may at least head in a hopeful direction, and thus perhaps find a first effective step.

RUSSIAN EXPERIMENT THRILLS MASSES

The present Russian experiment is attracting the good will of thousands who do not really favor communism because it reflects some sort of relief from present world wide stagnation and despair. The fact that the Russians are temporarily on limited food rations appears no serious drawback to those who think of hardships endured by our Pilgrim fathers and the pioneers who settled our great West, who were also inspired by the notion that they were building a future desirable civilization. The uneasiness that comes from the fact that the theory of society projected and so far evolved by the Soviets does not appeal to us, is constantly modified by reports of good things accomplished, and by the rather helpless conviction that there is a very real likelihood of a collective society of some sort displacing our present *laissez-faire* order, to which our children will be obliged to conform, if not ourselves.

The masses of the people in every nation are being thrilled by the accomplishment in Russia of certain objectives the Western nations have aspired to but have not been able to achieve. There are many earnest souls, for example, concerned with the millions of people in the United States who are unable even to read official instructions for hygienic living, but we have never been able to launch any really collective effort to abolish this illiteracy. A loosely organized nation cannot perhaps hope to do this most effectively except when at war. War is obviously communistic. In war we sacrifice individuals for the common good and derive inspiration from it. The Russians are doing this in the cause of peace.

IMPATIENT FOR BETTER SOCIAL ORDER

Great economic changes have not always been clear to the one or two generations entangled in them, because of the time element involved. We are now moving rapidly, however, that we should be able to foretell and, if wise enough, to readjust our lives to seemingly inevitable

ents. Modern education is so general that when a sufficient number desires to change the economic structure should be able to accomplish it without very much confusion. Spain seems to be getting on pretty well. If world affairs were not moving so rapidly, the United States might drift into something akin to communism without official change in its *laissez-faire* policies by a rapid increase of death duties until in a couple of generations all inheritance property should be abolished. It seems likely, however, that the masses are now too impatient for a better social order to wait for any such demonstration; the propertyless and unemployed need food and work now. We must, obviously, find a way in advance of too great an accumulation of social discontent to promote equality of opportunity. Some such resource might give a longer lease of life to our ideas of individual initiative. The civilized world is looking to those who have made such a success of modern business to apply their intelligence to this problem. There could be a better method to promote equality of opportunity than the one chosen by Russia. Somebody, or group, however, has got to work out such a method and bring it into operation, in the face perhaps of considerable opposition. Woodrow Wilson said that what the country needs is a new and sincere thought in politics, coherently, distinctly and boldly uttered by men who are sure of their ground. We must admit we do not see much of this sort of thing in our American politics. Where there is not arrant speculation or political cowardice there is bewilderment. It is amazing to contemplate the meagre cultural background of some of the men who are so effectively advancing the Russian programme. Their potency resides in the fact that their thought, however much one may disagree with their object, is clear.

CREAKING ECONOMIC STRUCTURE

The muddy and timid thinking of American politics seldom discloses anything real to vote for. This is the team along which we may drift into communism. We realize it is intentionally muddled by private interest, but we as yet have no programme for its clarification. An effective programme can only be worked out around an idea. When the Democratic party in the last Presidential election let it be known that it meant no harm to the tariff, it didn't seem to matter much to many which candidate was elected. Our current economic distress is obviously wholly due to the present tariff, indefensible as it may be, but it is due to the creaking of the economic structure of the entire world.

The same forces that are operating to pave the way to communism in America and England by piling up their annual budgets are operating in some form in every civilized nation. Russia is merely an instance of a rather sudden adjustment of these forces. The world unrest is essentially the result of common education. What must be increasingly met by those who are content with the present set-up is the problem of pacifying the many who are demand-

ing that the world's leaders in education and ability work out a more just and reasonable social order. Because of delay in this the masses are developing a willingness to attempt a solution on their own as Russia is doing, for they are looking in amazement at the biggest nation in the world getting along without the experienced political and religious leadership so long deemed indispensable, and not suffering greatly in contrast with the economic distress of the nations which still enjoy such leadership.

HOW MAY COMMUNISM BE AVERTED?

This is really what is disturbing most Americans about Russia. They believe that communism is an undesirable state which cannot ultimately prevail, while they are faced with the probability of having to pass through it. The educational example of the Russian experiment is terrific, and its persuasiveness lies in the fact that it seems to the masses so easy. We have only to continue to drift and we shall inevitably be called upon to adjust our lives to a similar regimented pattern.

How, then, may communism be averted? It obviously cannot be defeated by force. We might as well try to keep out smallpox with a picket fence. It is an idea with which we are confronted, and it can only be defeated by some other idea. Is there anywhere an effective idea which might be worked out and applied by ourselves while our destiny is still in our hands? Such an idea must obviously go deep enough to affect our economic structure. Some people at least must reorganize their lives. Making donations to relieve the unemployed will not sweep back the tide, and government works and commercial credits are merely a temporary makeshift which hastens the possible debacle. We shall either meet the communistic flood fatuously as the Bourbons did the republican tide in France and be hopelessly engulfed in it, or we must find a way to sluice the waters into some channel in which they will not sweep away our already weakened hold on individual initiative.

Is there a cog in the machinery of our so-called Western civilization that if readjusted or released might permit us to evade the communistic phase through which we are reluctant to pass? There is no doubt that there is. It is our treatment of the ownership and use of land. This is such a simple fact that its application would long since have corrected many of our social ills had its significance ever been correctly apprehended.

LAND GRANTS, WHITE PARASOLS AND ELEPHANTS

History is full of examples of the effect of the control by a relative few of land upon which many people must live. Almost every war has been concerned with the appropriation of certain productive areas of the earth. We can readily see the unhappy result when one nation appropriates the land of another nation; but the same sort of impoverishing effect upon peoples of the same nation resulting from some of their number owning their common heritage and exacting tribute in the form of rent for the

use of it, is more obscure; it is obscured by custom and its bad effects attributed to other causes. In the translation of an old Indian grant of land found at Tanna by Sir William Jones occur these luminous lines:

"To whomsoever the soil at any time belongs, to him belong the fruits of it. White parasols and elephants mad with pride are the flowers of a grant of land."

This has the agrarian flavor of early civilizations, but nevertheless a very modern application. The power of extracting unearned wealth has now been transferred in its magnitude from the ownership of tilled land to our fabulously valuable city sites. The great revenues are now produced by such land as lies in the hearts of London and New York. The assessed value of the land on Manhattan Island today is over \$5,000,000,000. It probably should be \$10,000,000,000 if correct inferences can be drawn from the fact that when a Fifth Avenue plot was recently sold for \$7,000,000 it was revealed as having been assessed on a valuation of \$2,500,000. The owners of these profitable sites in London, New York, Paris or Berlin and in all other settlements down to the small village, who are deriving their revenues from this unearned source, do not ordinarily display white parasols or otherwise flaunt their wealth. The land-owning families are usually of more than one generation. They do not live ostentatiously or do things in bad taste. They are often charitable, giving generously of their unearned wealth in times of social depression and subject to all the usual joys and sorrows of humanity except economic worry. They are not individually responsible for the long-developed system under which service is not demanded from them in exchange for the luxuries and comforts they enjoy.

SCARCITY OF LAND ARTIFICIAL

It is safe to assume that most people living by the appropriation of ground rents are wholly ignorant of the widespread social effect of such appropriation. People who work for a living are as a rule just as ignorant respecting it. Society having settled down through centuries to the assumption of the justifiability of people owning land which they can charge other people for the use of, it seems a logical item of investment. Individuals therefore seek to preempt and control desirable sites, creating an artificial scarcity of land and herding people into the cities, where their presence still further enhances site values. Very few people connect the operation of this system with the thought of social suffering and discontent. And yet it does not require very profound thought to trace a large flock of seemingly unrelated social ills to this one cause, for the bad effects of the feudal system are repeated in it.

We need not fear perhaps the medieval method of adjustment. The burning of the castles of the feudal lords by the tenantry was most often merely a personal revenge. The rebels did not challenge the system under which they were exploited. The communist method of attack is impersonal. The communists simply abolish titles, take possession of the land and buildings, apportion the living quarters

under a routine plan, and make every able-bodied person render some sort of service.

EXAMPLE, NOT PROPAGANDA, ENOUGH FOR RUSSIA

This appears a simple method of operation, comprehended by the most elementary intelligence, and hence the one which appeals strongly to the propertyless masses of all countries, who never would have believed it was as easy as Russia has shown it to be. Russia does not need to indulge in propaganda. Her example alone will inevitably make over the other civilized nations on her model unless the intelligence of the people of these nations forestall it by working out something better. One looks in vain to the Americans at present in political life for a single utterance indicating a desire to do more than drift with the tide. A little badgering of the public-service corporations, a little grumbling about the tariff, a hesitant word or two about stock exchange methods, a little financial bolstering of decaying industries, and Congress leaves the problem to solve itself.

It is in England, of all nations the most intelligent politically, and the one enjoying the most democratic government, that the idea of the public right to ground rents, the appropriation of which as a purely social value could alone defeat a communistic regime, seems occasionally to hover on the outskirts of practical politics. Some years ago Mr. Lloyd George, in one of his clever flirtations with real issues, advanced the suggestion that the state should take as a social asset future increments in land values, the amount to be determined whenever the property was transferred. While the landlords were disturbed by the idea, it was not actually a menace to their privileges, for even if put into effect it would not very greatly cheapen land and thus make it easy for the present landless to become users. At best such a plan would open only to discourage transfers of ownership, and would not disturb the revenues from this source which are throughout England flowing into the pockets of the present possessors of profitable sites.

KING GEORGE COMMENTS ON SITE VALUE OF LAND

It was under the Labor Government, before Mr. Philip Snowden fell upstairs into the House of Lords, that in one of King George's messages to Parliament the real issue was advanced; and the silence with which it was received even by the radical English press indicated how incompletely the significance of this suggestion is apprehended even by editors who are honestly seeking plans of social betterment.

"My ministers," read the King's message, "propose to introduce legislation to secure for the community a share in the site value of land."

This sounded rather like a casual fiscal expedient hardly deserving of attention outside of the meetings of budget committees, and yet in it alone resides the potency which can rescue England from eventual communism. To meet her financial needs England is slowly confiscating through

taxation the real estate of her people, buildings as well as land. This is the communistic advance. The individualistic method is suggested by the King's message. Buildings are rightfully private property. They are created by labor of brain and hand. They can be duplicated anywhere they are wanted. But land is not created by man. All value of city plots is a community value, created by the presence of people about it. If the people of London were all to move to Cornwall, the plots around Trafalgar Square would have no more value than so much garden land. It is because England is permitting the private appropriation by individuals of her present community values of bare land that she is forced to confiscate the buildings of her citizens in the communistic fashion.

HENRY GEORGE'S PLAN FOR READJUSTMENT

No economic writer past or present has elucidated the economic and spiritual penalties of our treatment of land more clearly than Henry George, who oddly enough received his first intelligent appreciation in England. It is surprising that one encounters so many Americans enjoying educational opportunities who are not familiar either with George's analysis of economic structures or the simple plan he advocates for their readjustment in response to social needs. He shows with indisputable clearness that the idea of Quesnay to substitute one single tax on rent (*impôt unique*) for all other taxes, designed to save the head of Louis XVI from the block, may be equally potent in saving our present civilization from collapse. Naturally there is little stimulation of interest in the proposal to shift the burden of taxation from buildings and improvements to ground rents, unless one can discern the striking social effects of so simple a project.

For centuries the English have shown their ability to bring about great changes under old forms. That method of their present difficulty is obviously possible. Ground that can be appropriated by taxation, the common right of these community values being thus gradually absorbed without severe jar or shock, and the common people relieved of the heavy tax burdens which time and again have driven them into revolution. The worst that could happen to the English site owners would be the necessity of their using ultimately their personal abilities to make a living. This does not appear a very hard fate to those who are already doing it. With all their previous advantages of health, nourishment and education the children of the landlords should make their way without difficulty.

GRADUAL SHIFTING OF TAXES TO GROUND RENTS

Normal youth does not face with fear the absence of special privileges in a society that gives free play to the exercise of its faculties. And English statesmanship would doubtless be too wise to attempt complete immediate recovery of these community values. The gradual shifting of taxes from personal property and improvements to ground rents would give individuals now absorbing these community funds time to consider their personal adjust-

ments and find new and legitimate investments for any capital they may possess.

Society gives no guarantee even by implication that it will not change its tax policy, and the private appropriation of site values is not the first form of special privilege to be so absorbed by the British commonwealth. In every civilized country, even the newest, the rental value of land taken as a whole is sufficient to bear the entire expenses of government. England might find that all of the site value need not be taken to finance her normal government operations. Land titles certainly need not be arbitrarily disturbed as the communists would disturb them. No owner of land need be dispossessed if he finds a use for it that may be profitable to him. Land held out of use merely in the hope of reaping increased community values would not of course be found profitable, but the release of such tracts would so stimulate building and productive capital as to bring recovery of prosperity in which the present possessors of privileges would themselves share. The release of frozen labor and capital through access to land, the only element upon which they can express themselves, would rapidly absorb England's unemployed.

SLOW TO ACT AGAINST TIDE OF COMMUNISM

Perhaps the English people and also the Americans may be too slow to recognize the significance and power expressed in the King's message to save themselves from the engulfing tide of communism. It will be difficult for workingmen to get over the idea that there is a real antagonism between capital and labor, and for small farmers and homestead owners to comprehend that to put all taxes on the value of land will not be unduly to tax them. Neither of these classes can easily be made to see that to exempt capital from taxation would not necessarily make a still wider division of rich and poor. These ideas spring from confused thought, and the difficulty in eradicating them lies in the fact that behind the ignorance and prejudice they reflect is an active, powerful selfish interest which has subtly dominated literature, education and opinion. This would be the stumbling block in the way of the indicated effort to preserve England from following Russia. The English landlords, like the French Bourbons, would be unlikely to let go. They might prefer to await the debacle. John Galsworthy suggests this in his recent admirable play "The Skin Game." But there might be some among them with spirit enough to take the chance. The English have an ideal of sportsmanship. Leaving aside the landless masses, there are many whose interests as land owners do not largely exceed their interests as bread winners or capitalists. Even the large land owners might see that their loss would be only relative. Many of them are in productive enterprises which would naturally be stimulated by relief from present confiscatory tax burdens. It might appear that by shifting a larger part of the English budget on the non-producer it would make no one poorer except those who can be made a great deal

poorer without being really hurt, and thus reapportion the great unearned fortunes without impoverishing anybody.

Many people would agree that such a policy is worth adopting in the cause of social justice without any special emergency to justify it; but facing the present menace of world communism it would seem that the adoption of a method of social readjustment so certain to arrest growing discontent would be welcomed as an obvious resource of self-preservation.

A Plea in Avoidance

FOLLOWING is a letter to the *New Republic* written by Franklin H. Wentworth, of Wellesley Hills, Mass.:

"I am accepting your invitation to renew my subscription because I believe publications of protest should be supported and not because I personally derive any information or comfort from your paper. There is equally competent guidance toward an improved social order in the editorials of the *Journal of Commerce*. Why can you not occasionally refer to a fundamental wrong that can be corrected by our present political machinery without drifting into revolution? I mean the absorption by privileged individuals of the community value of land. Is it timidity that causes you to be so continuously silent on this important item? The taking of these land values by taxation would not solve all our social ills, but it would clear the political slate of a lot of the problems we are now tilting at in the notion that they are fundamental. Do you think it would hurt your circulation to cease being vaguely socialistic for a time and concentrate on some social ill that can be tackled and corrected by the present generation? It might help it!"

Here is the reply from Bruce Bliven, one of the *New Republic* editors:

"Thank you for your letter of April 26. I am glad to tell you that the editors of the *New Republic* are thoroughly familiar with the principles of the Single Tax and are far from being unsympathetic with the general philosophy expounded by Henry George. Perhaps the chief reason why we do not devote more space to the consideration of this subject in the *New Republic* is that this journal is primarily a weekly newspaper devoted to the discussion of current events, and that so little has happened in regard to the Single Tax in recent years. As you probably know, both the agitation for this tax and the various experiments in its operation are now both practically at a standstill.

"In general, our criticism of the Single Tax philosophy at the present stage of the world is that it is too conservative, does not go far enough in its demand for an alteration of the fundamentals of society. It was worked out by Henry George in a period of scarcity-economics; and no one has ever successfully adapted it to present conditions, which, at least in terms of consumer purchasing power, constitute a period of surplus-economics."

We ask our readers to note the confession, not openly avowed but implied, that the *New Republic* has a policy which is to favor only such principles as are accepted by a large section of the people—in other words, the principles that are acclaimed. Its programme of social reform—and that it has one is its only reason for being—is thus, by its own declaration, narrowly circumscribed. There will be no reason, therefore, for any reader to consult its pages for any specific condemnation of false issues which command a measure of popular approval. It is a humiliating confession, but we are glad to have it, for we were

anxious to know just what the *New Republic* stood for. We know now that it stands for just nothing at all.

We note, too, that what Henry George advocated is "too conservative." Just what is it that Henry George taught? He advocated the transference of thirteen billions annual of publicly created wealth now absorbed by private appropriators into the common treasury in lieu of all taxation, the result of which would be the restoration of every unused natural opportunity, mine, forest, city lot and farm land to the actual workers. That proposition has teeth. Instead of being conservative, it is the most radical proposition ever presented for the consideration of mankind. Find it alongside of everything and anything we find in the pages of the *New Republic*.

Not the strongest magnifying glasses applied to this weekly publication extending over any period of years reveal anything but a skim-milk, rose-water socialism, an ineffable dilution that must give even a Socialist like Norman Thomas a large-sized pain! And Mr. Bliven, who should and we believe does know better, has the nerve to call the doctrine of a free earth "conservative." I shudder to think what he would consider a radical proposition. Certainly nothing that has appeared in the wholly innocuous pages of the *New Republic* can be called radical. There can be found nothing therein to offend the adolescent reformer still in the nursery stage. Where and how Mr. Bliven has persuaded himself that compared with Henry George the *New Republic* is radical is one of those mysteries which we leave to others for solution.

Will our readers note the curious language with which Mr. Bliven concludes? Mr. B. is a journalist, accustomed to plain, direct speaking. Either this language is interpolated by some one else, or Mr. B. has unconsciously absorbed the phrases of his associates that obviate the necessity of thinking hard. Mr. Bliven should know that Henry George set himself to determine the problem of distribution. The period of "surplus-economics," which we understand to mean a large per capita production of wealth, or a period when per capita production is high, has nothing to do with the solution which Mr. George gave. He was concerned with only one thing—the problem of distribution. And that remains the same to this day as when he wrote.

Association in Inequality

WHEN the wages are invariably low, distribution of wealth being thus very unequal, the distribution of political power and social influence will also be very unequal. All of these ancient civilizations reached a certain development and fell away. Where we find the upper classes enormously rich, and the lower classes miserably poor, we find those by whose labor the wealth is created receiving the smallest share of it, the remainder being absorbed by the higher ranks in the form of either rent or profit.—BUCKLE.