



THOMAS G. SHEARMAN

# NATURAL TAXATION

AN INQUIRY INTO THE PRACTICABILITY, JUSTICE  
AND EFFECTS OF A SCIENTIFIC AND  
NATURAL METHOD OF  
TAXATION

BY

THOMAS G. SHEARMAN

WITH

A PERSONAL SKETCH

BY

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## PREFACE

Notwithstanding the lapse of more than a score of years, few Chapters of this book can be classed as out of date for educational purposes. Chapter II on Crooked Taxation, with its calculations of American incomes, expenditures, savings and taxes is invaluable until superseded. Chapters IX and XIII are classics. Chapter X justifies itself today. Other Chapters of the book are open only to the charge of under-statement. Few works on political economy have better claims to immortality.

C. B. F.

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## A PERSONAL SKETCH OF THOMAS G. SHEARMAN

Having occasion to scan the latest volumes on Political Economy, the authorities of the Colleges and Universities of the United States and Canada, in order to note how much economic importance is therein attached to the taxation of land-values, I found myself confronted by more than one surprise.

(1) Almost the only name connected by these writers with the reform as originator and interpreter and commentator is that of Henry George. The chief and more numerous criticisms pertain not to the principles of a scientific taxation for which Henry George stood, but are centered upon the gratuitous and fallacious charge that the burden of his message to the world was confiscation of property and the overturn of civilization.

This way of handling the subject during the past thirty years has shown little gain for either professors or tax reform, and I have come to realize that this poverty of method amounts to an educational abnormality if not deformity.

(2) I was surprised to note that in all these volumes no room was found for the name and dictum of Mr. Thomas G. Shearman, a man who, in addition to his general reputation as an authority on whatever subject he touched, was a sounder, safer, and more thorough student and expositor of the principles of taxation than any other person who has spoken from the single tax standpoint. Yet no economist

appears to have made so much as a pretense of answering his argument. That this taxation work, which was the particular pride of his life, should have been unchronicled in the economic annals of his generation, seems almost incredible, and yet, *mirabile dictu*, in eleven of the volumes of political economy that span the economic firmament, the name of Thomas G. Shearman is not indexed, while four have half a dozen references or citations, none of which deal with the principle of land-values taxation. This complete ignoring of a leading authority can be explained only upon the theory that they think his plan of tax reform of no consequence.

Under these circumstances I cannot forbear to make an earnest request of the professors that they will reopen the case, "In re Natural Taxation," according to Thomas G. Shearman, and allow it to be reargued before a fresh bench and jury, thus giving him a fraction of the thirty years' innings that have been accorded to Henry George.

To extol the excellencies of Mr. Shearman by no means implies detraction from the achievements of Mr. George. In a dozen volumes of reform literature, resplendent with illustration, Mr. George essayed, with his five main divisions and sixty-four sub-divisions, to sweep the whole field of political economy. He compassed the gamut of human emotions. He argued *de novo* for the abstract rights of man, equal, natural, original and inherent; and in support of his thesis he marshaled in stately array the moral, philosophical and religious sentiments of mankind.

Mr. Shearman was not a man of hobbies. His taxation work he regarded as by far his best investment for the interest of his fellow men. Here are his own words: "I do not estimate very highly the value of my own work in any direction, in business, in the church, or in public affairs. But I can see more substantial fruit of my efforts in the

direction of a higher development of humanity through the reform of taxation than in any other direction whatever. Obscure as my work has been, . . . it has marked a channel in which an ever-swelling tide of human energy will flow. . . . It has given a direction to the spirit of reform which will insure great results after I have left the work forever." In a single book, *Natural Taxation*, a volume of scientific, prose reasoning, he supplemented George's eloquent exhibit with the cold and exact statement of an energizing, enacting clause without which no reform can be made operative. He set out to elaborate the special economic advantage of a natural tax, and followed with wonderfully clear deductions as to its effects. Mr. George made small pretense to calculation of the volume of economic rent, and attempted little illustration of that feature of his subject. For himself he said: "What I have endeavored to do is to establish general principles, trusting to my readers to carry further their application where this is needed." Mr. Shearman, who wrote a dozen years later, and who revelled in their application, as well as in the principles themselves, labored with almost infinite pains to collect data and frame reliable estimates of the volume of rents such as have not been superseded, because no one has been found with faculty and patience to bring these calculations down to date. Meantime events have very largely verified the proportion, and hence the substantial accuracy of his calculations. In view of his admitted thoroughness we may be assured that his opinions deserve respect. He was a judge who could be trusted to let complete evidence and full consideration precede his decision.

Economists, especially the professionals, sometimes have been sharply criticised for not enrolling themselves under the banner of Henry George. If such an enrolment meant a commitment simply to his tenet of the Single Tax, har-



monization might not be despaired of, but if such an enrolment were to commit them by implication to others of his remaining sixty-three economic tenets, it is easy to see how their difficulties are multiplied many fold, a complication which in their frank opinion even the justice of the situation does not demand.

It is probably true that the professors as a body are far from agreeing with Mr. George in his general theory of production and distribution, while in "beating together the ample field" of political economy in the large, there would be the certainty of collisions without number. Very many economists incline with favor to Henry George as to his land-value tax, but with the jealous reservation of differing with him upon many of his other contentions. One would naturally think that upon Mr. Shearman, with his one platform and one plank, the professors might unite without hazard to inherited dogma on the one hand, or risk of speculative heresy on the other.

Disregarding the voluminous moralizations (the basis of much obstructive argumentation even among those who do not differ), Mr. Shearman, like Mr. George, buried his lance directly in the heart of the social problem. Without convoying his disciples through the wilderness of three or six thousand years of wandering thought, he reached the Henry George goal by a simple scientific route.

Perhaps nothing could add more weight and dignity to the reasonableness of this humble petition than to recall something of the gifts and accomplishments of Shearman, the publicist, philanthropist and religionist whose economic prestige can never be dimmed.

At the Memorial services in Plymouth Church his luminous characteristics were assembled in bold relief by various speakers.

His pastor, Rev. Newell Dwight Hillis, said of him that

“out of a passionate love for his fellows he tried to turn the principles of Jesus Christ into the writings and practice of a great lawyer. . . . This great Church has had heroes—in Mr. Beecher, the greatest preacher of the love of God that the world has seen since the Christian era began, and in Mr. Shearman another. . . . One of the strongest, best and bravest men of his generation that this country has produced. . . . During the forty years of his career he appeared upon the platform over seven hundred times to urge the rights of the black man, the Indian, the Armenian, and the poor and despised of every city and nation.”

Mr. Shearman was born Nov. 25, 1834, in Birmingham, England, of English parents. His father was a versatile man, in turn physician, writer and preacher. Denominationally a Baptist, he was a great student of the Bible, and a great reader and lover of Shakespeare. What education Mr. Shearman had was the work of a gifted mother, a teacher of practical excellence both abroad and at home. A copy of the new Testament is treasured in which he read at the age of four.

Through lack of family fortune he was early thrown on his own resources, and, as Dr. Hillis continues, “mainly self-educated and self-made, his intellect was hammered out upon the anvil of adversity. . . . At twelve he was out in the world for himself. At thirteen his school days ended forever. At fourteen he entered an office, where he received apprentice’s wages of \$1.00 a week for the first year and \$1.50 for the second. . . . Fifteen years found him deliberately fashioning his English style upon Bunyan for simplicity, Baxter, for unity and orderly movement, and Macaulay for picturesque narration. . . . At thirty-one he was identifying and tabulating out of his own unaided memory over seven hundred court cases. . . . When in 1875 the great storm burst upon Mr. Beecher he urged his pastor to

devote himself to his regular work, took all responsibility upon himself, practically retired from his law practice, and out of his own fortune anticipated all expenses for the great trial, until he had advanced over \$70,000 of his own money, for which, however, he was afterwards reimbursed." Nothing could account for a personal devotion like this except the fact that Mr. Shearman believed in Mr. Beecher. Dr. Hillis, in cataloguing Mr. Shearman's gifts said: He had a strong intellect, great analytic skill, memory, sound judgment, fidelity to conviction, courage unyielding and all-conquering, frankness to friend and foe, moral earnestness, sympathy, enthusiasm, thoroughness and a steadfastness that never was defeated. Although he had no diplomacy and little tact, he was great notwithstanding.

Mr. Rossiter W. Raymond, Superintendent of Plymouth Sunday School, gave two side glimpses of Mr. Shearman. One picture shows him on the way to a Plymouth Sunday School picnic, sitting on the deck of the steamer, himself childless, covered with children who hang on his shoulders and arms while he tells them fairy stories. The other at a Coney Island outing of the little ones in which he took part. "There he lies on the sands while they cover him like flies, and when they want to wade in the water, and he is afraid to let them go in alone, the great lawyer, the friend of Henry Ward Beecher, the Political Economist, the Superintendent of Plymouth Sunday School, takes off his shoes and stockings, rolls up his trousers, and clasping hands with a chain of merry boys and girls, wades out into the surf. Mr. Shearman's love for the children, and the children's love for him, tell the story of his real character." According to Mr. Raymond, who was privileged to be the only layman intimately and constantly associated with the great lawyers who defended Mr. Beecher, "All of these men gave their services at great pecuniary sacrifice, in aid of a

righteous man unjustly accused." Neither Mr. Shearman, who did more than all the others, nor his partner, Mr. Sterling, who shared in the deprivation of his services at great sacrifice to their general business, would accept anything. To this testimony may be added that of an intimate co-worker: "His life taught a larger lesson, the lesson of constant and willing giving. I never knew a man who, on the whole, was so benevolent with his purse." In a life abounding with ceaseless benefactions, Mrs. Shearman, who survives him, is daily executing his will.

Stephen V. White, deacon of Plymouth Church, a leading broker and later a member of Congress then associated "very, very largely and very, very closely in business and in consultation with Mr. Shearman for thirty years" bore this enthusiastic testimony: "I consider his character and his career the most unique character and the most unique career of any man whom I ever knew, or of any man of whom I have read. . . . By reason of his remarkable faculty for generalization and collaboration, he was enabled, in a few months to become a walking digest of the decisions and statutes of the State of New York. In 1857 Mr. Shearman was appointed one of a committee to codify the statute laws of the State of New York. The Chairman, David Dudley Field, 'lion of the bar of the city and of the country,' being too busy to give his personal attention to the work of the committee, arranged with Mr. Shearman to pay him \$2,500 for what time he could spare without neglect of his own clients, and inside of a year a report was sent to the Legislature by this commission in a book of forms embracing 273 pages in which every stroke of the pen was made by this young man not eighteen months in the practice of the law. . . . In eight years from that time he was a partner with David Dudley Field, with one-third interest in the immense business of that firm." Of Mr. Field

it has been said: "He was a giant, physically and intellectually. He never knew fear. He was not small in any respect. He resorted to no legal tricks for his success. The success of the firm of Field and Shearman was due as much to their correct knowledge of the code of procedure as to intimate or deep knowledge of the principles of the law itself. No firm in the City of New York was ever abused by bar or press as much as that of Field and Shearman. Most of the points however, on which Mr. Field was at times severely criticised by his brother lawyers were, to the great credit of Mr. Field and Field and Shearman, subsequently sustained by the highest Court in the State."

An eminent contemporary once wrote of Mr. Shearman: "I have always thought that he had the greatest intellect of any man of his generation at the bar, but it was Mr. Field who gave Mr. Shearman the opportunity to bring out all that was within him, and, without such opportunity—which was exceptional, Mr. Shearman would never have been known except as an author. That, after all, gives more fame than any honor, won at the bar, for books live after men die; and the reason why Mr. Field will be known, when all the lawyers of his own and preceding generations in the United States are forgotten, is because of the innovation he brought about by the introduction of his Codes, the object of forty years of diligent pursuit. In that respect he was like Justinian."

It speaks for itself that Mr. Shearman at thirty-five should have commended himself to intimate relations with a man who was the father of a world-wide reformed "Common Law procedure," who with one brother, Cyrus W., father of the Atlantic Cable, and another Stephen J., thirty-four years Chief Justice of the United States, formed the celebrated Field triad. His firm being at that time (1869) the attorneys for the Erie Railroad, its officers bargained

with them to have Mr. Shearman come and sit in an ante-room of their office simply for consultation, at twenty-five thousand dollars for his year's salary. Succeeding the Black Friday, September 24th of the same year, various suits had been brought in the Courts, involving more than fifty million dollars. Shearman and Sterling,\* who had succeeded to Field and Shearman, were retained to defend them, and the law and facts were decided as Mr. Shearman contended that they should be. . . . "Before he had been four years at the bar, in connection with Mr. Tillinghast, Mr. Shearman had printed and published a treatise on pleadings and practice in the State of New York, which was a work in two volumes, aggregating more than one thousand pages, and the second volume was entirely his own work. In connection with Mr. Redfield a few years later, he published an elementary treatise on the 'Law of Negligence,' which has run through more editions, as we understand, than any other elementary work published in this country in this generation. . . . Mr. Shearman would draw and execute contracts involving the largest amounts of property and money of any man that has stood at the American bar in this generation and then come home to Brooklyn to this 'prayer-meeting' and speak words of consolation to those who were afflicted and suffering; to take his place in the Sunday school and Sunday school teachers' meeting, to give kindly cheer to those with whom he came in contact."

Dr. Lyman Abbott, Beecher's successor in the Plymouth pulpit said of Mr. Shearman: "He was by profession a lawyer, by temperament and nature he was a reformer. . . . He watched the welfare of the poor and suffering, the out-cast and the unfortunate, and he studied how to relieve

\*The Shearman and Sterling of today at 55 Wall Street, New York City.

them. This it was that made him interested in labor organizations, that made him a single tax man, and a civic and municipal reformer. He gave a large measure of his life, and brought all his energy to problems that touched the lives of others, and did not touch his own."

Edward M. Shepard said: "I declare of Thomas G. Shearman that few men of our land, or of our time, have nearly approached him in zeal for the rights of the plain people, as against the craft and strength of the more powerful."

Something of general interest to all real students, but especially to those of the law, is found in the critical analysis of a fellow craftsman, a partner for some years previous to his connection with David Dudley Field, Mr. Amasa J. Redfield, who wrote of Mr. Shearman: "His mind was pervaded by 'an original, intrinsic equity.' . . . If a particular judgment had wrought an injustice, he instinctively questioned or peremptorily denied its authority to control in any other cases, however eminent the court which pronounced it. As he conceived it, the aim of law is to accomplish the ends of justice, or, as put by Burke, 'there are two, and only two, foundations of law—equity and utility.' . . . He was never dismayed by a multitude of cases bearing upon a given point of law, however various their particular facts, or apparently irreconcilable their several judgments with each other; he seemed to have an intuitive perception of the real principle at the bottom of the whole mass of adjudications, and brought it forth to the light, in a single comprehensive statement, marvelously brief and clear. At the same time, as I have had many opportunities of observing, his precise and logical habit of mind tended always to moderation of statement and the avoidance of excessive generalization. . . . He had a faculty of instantly catching sight of an important point of any

narrative or argument—or the absence of any—on each page of a book as he rapidly turned leaf after leaf. He seems to have had Macaulay's knack of never reading the lines of a printed page, but took in the whole of it at one sweep of the eye, from top to bottom, discovering at once whether it was worth a more careful perusal. . . . In him the man was greater than the lawyer. His professional obligations were many and insistent, but such were the sincerity of his sympathy and his large view of things, that he never lacked the time nor the grace to step aside to help a friend,\* nor the will to devote his powers, without a suggestion of personal advantage, to the promotion of every civic and civilizing endeavor."

Mr. Shearman left an estate not far exceeding three hundred thousand dollars. It would have been much larger had it not been for the charity he was constantly dispensing. Although his business was domiciled in Wall Street, he was not a speculator. The size of his estate was not the result of real estate transactions but of his savings from income. It was not due to especially large fees. Those that he received were moderate. He did a great deal of professional work without any charge whatever, from sentiment for the unfortunate or as a charity. He had an exceedingly keen

\* In view of the foregoing tributes, the writer trusts that he does not violate the proprieties when he betrays an ambition to couple his name in ever so humble a way with that of a man whose life was so full of laudable accomplishments, by inserting here a quotation from the private correspondence of Mr. Shearman who had been speaker of the evening at four of the series of banquets then being given by the Massachusetts Single Tax League. On his last vacation he wrote from Geneva to a favorite Sunday School pupil, now Mrs. C. J. Northrop: "In all times it has been the misfortune of reforms that some of their advocates have made it impossible for others to do any effective work for them for considerable periods. . . . At this time the professed friends of every reform, in which I am much interested, insist upon mixing it with retrograde movements or have adopted a policy of bitterness and vituperation or have thrown it entirely overboard. There is no one left, except Mr. Filibrown, with whom I can co-operate. I have told him that I will do anything for and with him that a New Yorker can do for a Bostonian."



mind, and an exceptionally retentive memory, and to these two qualities he was, to a most extraordinary degree, indebted for his success.

The foregoing will give the reader an outline picture of the type and caliber of a man who gave his best years and best efforts to present the principles and possible practice of the single tax, cleared of all economic entanglements, in such plain form that they can be intelligently studied by taxing authorities, economists and all others who are interested.

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