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What Is the Single Tax?

By LOUIS F. POST



**INTERNATIONAL UNION FOR
LAND VALUE TAXATION AND
FREE TRADE**

**MONTHLY ORGAN
"LAND & LIBERTY," 3d.**

**11, TOTHILL STREET,
LONDON, S.W.1,
ENGLAND.**

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VANGUARD PRESS, INC.

X72.73

F6

5855

PRINTED IN THE UNITED STATES OF AMERICA



18 FEB 1928

PUBLISHERS' PREFACE

This book is one of a series of Outlines of Social Philosophies published by the Vanguard Press. In publishing these outlines the Press has offered to each definitely crystallized social movement the privilege of telling its own story and presenting as cogently as possible the arguments which support its social philosophy. Each group arranged to have the material prepared in the way that seemed most suitable to it. All of the outlines follow the same plan, so that the student of social philosophy will find it possible to make exact comparisons between any one and the others. The Robert Schalkenbach Foundation assumed responsibility for all arrangements covering this book. As it is now published it has the approval of representative Single Tax groups in the United States, particularly the following:

Henry George Foundation
Manhattan Single Tax Club
Manufacturers and Merchants Federal Tax
League
New York State Tax Reform Club
Robert Schalkenbach Foundation
Single Tax Publishing Company
Mrs. Anna George de Mille (for Henry George's
family)

18 FEB 1928

CONTENTS

<i>Chapter</i>	<i>Page</i>
PUBLISHERS' PREFACE	iii
SPONSORS' FOREWORD	vii
A NOTE ABOUT THE AUTHOR	ix
I. ORIGIN OF THE SINGLE TAX	1
II. DEFECTS OF THE PRESENT SOCIAL ORDER	7
1. Fiscal Defects.	
2. Defects as to Property Rights.	
3. Defects with Reference to Social Unity and Individual Liberty.	
III. CRITICISM OF PROPOSED REMEDIES	17
1. Labor Unionism.	
2. Cooperative Societies.	
3. Money Reforms.	
4. Protective Tariffs.	
5. Philosophical Anarchism.	
6. Communism.	
7. Socialism.	
IV. THE SINGLE TAX IDEAL OF A NEW SOCIAL ORDER	31
I. ECONOMIC ASPECTS.	
1. Natural Resources.	
2. Production of Wealth.	
3. Distribution of Wealth.	
4. Exchange—Domestic and Foreign.	

CONTENTS

II.	SOCIAL ASPECTS.		
	1. Individual and Society.		
	2. Home and Family Relations.		
	3. Education—Child and Adult.		
	4. Arts and Culture.		
	5. Social Results.		
V.	THE SINGLE TAX METHOD AND PROGRAM	91	
	I. METHOD.		
	II. PROGRAM.		
VI.	SUMMARY AND CONCLUSION	115	

APPENDICES

I.	BIBLIOGRAPHY	125
II.	BIOGRAPHICAL INDEX	130
III.	INDEX TO QUOTATIONS IN TEXT	139

Note: All quotations in the text of this work are referred to their sources in Appendix III, where they may be identified by the numbers of the pages on which they respectively appear.

SPONSORS' FOREWORD

THIS volume has been prepared in response to the invitation of the Vanguard Press which has made the novel and generous offer of a free forum in which the authorized representatives of various radical reform proposals may present to the public their respective claims without restriction.

Highly appreciating the rostrum thus offered, a committee of New York disciples of Henry George decided unanimously that the man to write the book which should define and advocate the Single Tax was Louis F. Post, the personal friend and counsellor of Mr. George and for thirty-odd years a tireless protagonist of his doctrine.

With the hope of spreading enlightenment among the host of men and women who are conscious of the blighting injustice of current tax systems and who are groping for the better way, this book is urged upon their careful attention.

Readers not already familiar with Mr. Post's qualifications for this task will be especially interested in the following appreciative sketch from the pen of a long time friend.

A NOTE ABOUT THE AUTHOR

Louis F. Post, journalist, lawyer, publicist, author of many books, high-minded and efficient public servant in an important and responsible post at Washington during the two administrations of Woodrow Wilson, for more than half his life the able and convincing expositor of Henry George's economic philosophy, undertakes in this book, what he has often before undertaken, in various literary forms, a systematic interpretation of the Single Tax, setting forth in moderate compass a comprehensive answer to the question, "What Is the Single Tax?"

When I first made acquaintance with Mr. Post, more than thirty-five years ago, he was already an earnest propagandist of the Georgian economic philosophy, and a warm and trusted friend of the philosopher. He had been admitted to the bar of New York in 1870, almost twenty years before our acquaintance began, and twenty-one years after his birth near Vienna in Warren County, New Jersey. Six years before his admission to the bar he had become a printer's apprentice in the office of the *Gazette*, at Hackettstown, New Jersey. He practiced law for nearly twenty years, for a time in partnership with that active and useful Single Taxer, the late Charles Frederick Adams. During

x A NOTE ABOUT THE AUTHOR

part of the time as a practicing lawyer in New York he was an Assistant United States Attorney. He is still a member of the New York bar, as of the bar of the District of Columbia, where he has lived since he became First Assistant Secretary of Labor under William B. Wilson.

In the eighties of the last century, Mr. Post was an editor of Henry George's weekly organ in New York, *The Standard*, along with that human volcano, William T. Croasdale, whose early death is mourned by all who knew and loved the man for his rich gifts of mind and character. With the suspension of *The Standard*, Mr. Post became one of the editors of the *Cleveland Recorder*. From 1898 to 1913, he and his wife, Alice Thacher Post, were editors of *The Public*, published at Chicago, a weekly organ of sound politics and sound political and social science, into which he constantly put the best of himself, and in so doing did manful service for many good causes. He gave up his chair at the office of *The Public* to become Assistant Secretary of Labor in the first administration of Woodrow Wilson.

In this new and unaccustomed work Mr. Post speedily showed his versatile ability, as he also showed his tenderly conscientious regard for justice in the administration of laws, some of them severe in their workings, and made more severe by the zeal beyond measure of other persons connected with the administration. Mr. Post's determination not to be driven to the wholesale deportation of inno-

cent aliens when the world-war madness seized many in authority led at length to an attempt to remove him from office under impeachment proceedings. He met this utterly unjust attack with a courage, skill, tact and eloquence that resulted in the utter defeat of those who would have added him to the long list of victims demanded by the public madness of the time.

Busy as Mr. Post has always been in his various occupations, he has always found time to take an active part in the Single Tax movement in all its stages, to lecture in many parts of the country upon topics related to Henry George's social and economic doctrines, and to write a number of books upon kindred questions. Among the books of which he is author are *Ethics of Democracy*, *Social Service*, and *Land Value Taxation*. In all these volumes, as in everything that Mr. Post has written or said upon public questions, he has shown himself a clear reasoner, a convincing propagandist of principles and ideas, a man whose intellectual conclusions are at one with a fervent belief in their moral implications. It is this union of close reasoning and deep moral conviction that makes him impressively convincing as speaker and writer.

It is these qualities as writer and speaker, debater and propagandist, that have made Mr. Post highly effective, especially with intelligent audiences, and that have enabled him to meet with calmness and courtesy, and with convincing argument the heckling of those in opposition. He never

stooped to bitter assault in answer to his hecklers, however rude, nor did he seek to deceive by specious sophistry. His performance on such occasions illustrated the truth of Shakespeare's great saying, "Thrice is he armed that hath his quarrel just." In urging the great truths of Henry George's philosophy, he put on "the whole armor of God," the defense of him who is conscious of being right, and thus has been enabled to win many battles, notably that with those who would have driven him from public office by impeachment.

In this new volume, written in propagation of the high and vivid cause, Mr. Post illustrates the qualities of logical presentation, moderation in the discussion of political, social and economic proposals to which he cannot assent, a courteous and large-minded readiness to concede the sincerity of those who make such proposals. "What Is the Single Tax?" should prove an effective exposition of natural taxation. Certainly no living man is better fitted than Mr. Post, by experience, by thorough understanding of the subject, and by literary ability, to make the authoritative presentation of the great reform, to which many able and earnest men have devoted themselves, from his friend Henry George's time to this, and the benefits of which each day is now bringing nearer to general acceptance.

It gives me great pleasure to preface this work with this far from adequate biographical sketch of the author's career, and I feel that I do myself

A NOTE ABOUT THE AUTHOR xiii

honor in whatever of honor my words may confer upon him. What I have written by way of eulogy is, I believe, precisely such a testimonial as many another man who knows Mr. Post would gladly have supplied, and many who know him far better than I would have felt it a privilege to do what I have attempted to do in this slight sketch of his many and useful activities. What I have written is a labor of love, a record of the impression made upon me by years of a highly valued friendship.

EDWARD N. VALLANDIGHAM.

Chestnut Hill, Massachusetts.

September, 1926.

WHAT IS THE SINGLE TAX?

CHAPTER I

ORIGIN OF THE SINGLE TAX

As a rational method of bringing the present social order into conformity with natural social laws which it now ignores, the Single Tax was proposed and explained early in the last third of the nineteenth century by Henry George. He made his explanation and proposal in his world famous book, *Progress and Poverty*, which was first published in 1879.

Similar proposals had been made in that century and in the century preceding it. As early as 1775 Thomas Spence was expelled from a philosophical society of London in consequence of an essay he had read before it in support of the Single Tax principle. In 1781 William Ogilvie, a professor at King's College, Aberdeen, Scotland, advocated the same principle in an anonymous essay on the right of property in land. In the early 1850's Patrick Edward Dove, of London, advocated the principle, also anonymously, in his *Theory of Human Progression*.

Regarding those early advocates of the Single Tax principle we have Henry George's personal

assurance that neither knowledge nor hint of their opinions came to him until long after the publication of *Progress and Poverty*. This assurance is corroborated by the freedom with which in that work he refers to the "impôt unique" (single tax), a principle proposed by the Physiocrats of France not long before the French Revolution.

The Physiocrats got their name from their distinctive principle of economic rule by natural law—the first two syllables of their name alluding to *nature* and the last two to *rule*. They are described, whether correctly or not, as having regarded manufacturing and commerce as unproductive, and agriculture as the only productive process. If that interpretation of their opinions be not erroneous, they were wrong from the Single Tax point of view. Manufactures and commerce as well as agriculture yield productive results. One is no more sterile than either of the others. A bag of wheat in a flouring mill to which commerce has brought it, is a greater product than when in the farmer's barn, as truly as its storage in the barn made it a greater product than when its stalks stood upright in the field. And the flour produced from it is a greater product than the wheat itself. From plowing and sowing to reaping, flouring, baking and delivering to consumers, the processes are continuous advances in production by human labor from and upon and by means of natural resources to consumers for the satisfaction of their wants.

Mistaken or not in that phase of their philosophy,

the Physiocrats at any rate anticipated the Single Tax idea in advocating the "impôt unique"; and Henry George specifically credited them with having apparently proposed just what he himself proposed—"that all taxation should be abolished save a tax upon the value of land." Their perceptions of this root of natural social order as the historical beginning of social readjustments along natural lines he always recognized as a perception identical with his own.

Henry George's title to Single Tax leadership does not depend upon priority of perception. It is due to the accuracy, the frankness, the eloquence and the effect with which in *Progress and Poverty* he discussed the subject of his now historic inquiry into "the cause of industrial depressions and of increase of want with increase of wealth."

In that volume the present name of the movement which Henry George originated and subsequently all his life promoted was suggested by him, though descriptively rather than as a distinctive name. Here are his exact words: "The effect of substituting for the manifold taxes now imposed a *single tax* on the value of land would hardly lessen the number of conscious taxpayers, for the division of land now held on speculation would much increase the number of land holders." The italicized words in that sentence appear descriptively elsewhere in *Progress and Poverty*, the sentence there being as follows: "The advantages which would be gained by substituting for the numerous

4 WHAT IS THE SINGLE TAX?

taxes by which the public revenues are now raised, a *single tax* levied upon the value of land, will appear more and more important the more they are considered.”

Those descriptive words were used again by Henry George, this time in 1887 and as part of the title for an article by Thomas G. Shearman (author of *Natural Taxation*) which was published in *The Standard*, a national periodical that Henry George had launched in New York immediately after his campaign of 1886 as Labor candidate for Mayor of that city. The words were welcomed by his disciples throughout the United States; and in 1890 at Cooper Union, New York City, the first national conference in behalf of the movement of which they have ever since been the generally accepted name, formally adopted them as such.

This name alluded to the fact that the immediate object of that movement is to abolish all taxes upon useful work and the products of work, whether manual or mental, or of employer or employee, and to concentrate taxation upon the value of land.

By “land” in this connection is not meant agricultural land only. The word includes also such land as mineral deposits, forest areas, water fronts, railroad rights of way and terminal yards, the building sites of towns and cities whether residential, manufacturing or commercial—in short, every kind of natural resource.

As to agricultural land, the situation in Denmark is significant. The small farmers in that country

—said to be the best organized factor in public affairs in Denmark—are standing out pronouncedly for land-value taxation in place of all other taxes. Nor are they merely standing out. They have secured a partial incorporation of this policy into the laws of their country. As they evidently see so any farmer in any country may see, that farmers would be among the first to prosper by the transfer of taxation from real estate improvements and other production values to the social values of land itself. The notion that farmers prosper from the social values of their land instead of the individual values they earn by their work is baseless. The farmers who prosper under taxation of industrial earnings instead of taxation of socially produced land values are those who farm farmers, not those who farm farms.

What has preceded is indicative of what the Single Tax is. But to answer authoritatively the question, "What is the Single Tax?" recourse must be had to the writings of Henry George. They offer the only authoritative reply. This would seem to be a sufficient reason for quoting from them liberally in the following pages.

It may be suggested that there are Single Tax platforms which might be regarded as authoritative. None of those platforms, however, are more than additional evidence of the authority of Henry George. The first of the platforms, which was adopted at the first national conference (held at Cooper Union, New York City, in 1890), was

drawn by Henry George himself as chairman of the platform committee. It was adopted by the committee and the conference precisely as he drew it. The second platform, adopted three years later at the second national conference (held in Chicago in 1893), is the same as the first except for a modification of the concluding paragraph regarding a collateral subject. Platforms adopted by subsequent conferences—at New York City in 1907, at Chicago in 1911, at Boston in 1912, at Washington in 1914, at San Francisco in 1915, and at Niagara Falls in 1916—made no substantial departure from the platform drawn by Henry George for the conference of 1890. Since 1916 two important international conferences have been held, one at Oxford, England, in 1923, and the other at Copenhagen, Denmark, in 1926; but neither departed from the principle or policy which Henry George had proposed and advocated.

If then an authoritative answer is to be given to the question, "What is the Single Tax?" that answer must rest upon the authority of Henry George.

By that authority this method of raising public revenues is both scientific and ethical. It is ethical because it exempts individual earnings from taxation, taxing only social earnings. It is scientific because it conforms to the natural laws that point to land values as the legitimate source of governmental in contradistinction to individual incomes.

CHAPTER II

DEFECTS OF THE PRESENT SOCIAL ORDER

1—*Fiscal Defects*

THE defects of the present social order with which the Single Tax is most immediately concerned are fiscal. They relate to the public treasury, be it national, State or local.

Our word "fiscal" is derived from the Latin "fiscus," which meant the "public chest" and alluded to what is now known as taxation. The same root has produced in English the word "confiscation." This word should mean no more, tested by its origin, than levying taxes for filling public treasuries, whether fairly or unfairly; but it has taken on the significance of arbitrary forfeiture of private property to public use. With that interpretation we may fairly say that the dominant fiscal defect of the present social order is the confiscatory character of most of its tax levies.

Reflect upon it.

If a man makes two blades of grass to grow where he made only one grow before, his taxes are multiplied by two. Or, to throw aside the metaphor, if a farmer doubles his crop, his taxes are doubled; if he improves his farm, his improvements are taxed; if he does anything whatever which tends to make himself better off and the world a better

place to live in, he is taxed for having done it, and in proportion to the value of what he has done. As with the farmer so with every other kind of producer—mechanic or merchant, employer or wage worker. Unless they manage to dodge taxation, they pay taxes on what they do for themselves instead of on what the community as a whole does for them.

It might be replied that they pay taxes also on their land—on the farm sites, the business sites and the home sites they own. This is true in a partial degree, and to the degree that it is true our fiscal methods are on the right track; but only to that degree. The *whole* value of such sites, as of all other natural resources, is due not to any individual service of the owner but to the associated service of the community.

Right there lurks the difference between taxing land values and taxing improvement values; also between taxing land values and taxing personal property values.

To tax individuals in proportion to what they earn individually, while exempting any part of the community-caused values which attach to land of any kind, from farming land worth only a few dollars an acre to building lots worth thousands of dollars a foot, is evidently an enormous fiscal defect of the present social order. It discriminates against producers and in favor of landowners.

Nor are the ill results of that defect limited to such discriminations. In the making and selling of

taxed products there is constant pressure to pass on production taxes from taxpayer to tax bearer, from producer to consumer. This is known as "indirect taxation."

Taxes upon land values cannot be passed on to tenants or purchasers. They are "direct taxes." The owner of land pays them and must himself bear the fiscal burden out of the value of his advantageous site.

The tendency of land-value taxes is to make land prices lower, whereas the tendency of taxes on production is to make prices of products higher. In the latter case the producer gains nothing, for his higher prices are taxed away from him and his market narrowed; the consumer loses, for his cost of living rises. Is not that quite clear? Let him who doubts cross-examine himself.

Suppose a storekeeper with a stock costing him ten thousand dollars. Suppose his sales for that amount of investment have cost him 25% inclusive of his own wages, interest on his investment, and on the value of his store-building. What, then, could he afford to sell that stock for, profitably to himself? Would not the answer be: Ten thousand dollars plus 25%, or \$12,500? But would he sell for that amount? Why not sell for \$15,000 and "make a lot"? Because if he tried to do so his customers would buy elsewhere. Assuming reasonable competition, he would sell for \$12,500.

Now suppose that he has to pay taxes on his store-building and his goods—and that his com-

petitors have to pay similar taxes. Could he sell for \$12,500? Of course not. He would have to add his taxes to his prices and his customers would have to bear the load. Is there any escape from that conclusion?

But how about the building lot or site on which his store-building stands? Does the value of that enter into the cost of his store-keeping business? Think it over. Is it not clear that the site value of his lot has nothing to do with the prices of his stock, but depends entirely upon its location as a convenience to his customers? A good location is good because it gives him more customers than a poor one would. Consequently, he can sell more goods at less cost and therefore make larger aggregate profits.

The value of the lot is governed entirely by the desirability of its location; the value of the goods by the cost of making and delivering them. Is not that so?

Then what would be the commercial effect of taxing the lot? Could a single penny of that tax be shifted to the price of the goods in the owner's store? Think again. How could such an addition be possible? Even if the lot were taxed, along with the other locations in his community, to its full annual value, how could he for that reason charge more for his goods? Wouldn't his competitors on sites of less value undersell him?

And if at the time when his building site was fully taxed and taxes on his goods and store build-

ing were abolished, wouldn't he be able, and by similarly reduced burdens upon competitors, wouldn't he be compelled to sell his goods cheaper than before, yet with better compensation for his own services? No other conclusion is reasonably possible. So long as the fiscal defect of taxing production values in addition to land values continues, its tendency must be to make producers poorer and land owners richer.

2—*Defects as to Property Rights*

The fiscal defects of the present social order expose more vital ones.

Is it asked, Why tax land owners according to the value of their land and exempt producers? The answer is: Not only for the reasons already given, but also because land is a totally different kind of property from artificial objects. The latter are products of human exertion, the former is a free gift of nature.

Land is such a gift, not to particular men, but to mankind. But artificial objects depend for their existence upon the labor of producers. The latter are therefore by natural law the private property of their producers and of whomsoever their producers sell them to. The titles to them hark back to the producer or producers from whom the owner has derived them. Such objects are by natural law private property, be they food, or clothing, or houses, or works of art, or anything else of human production.

Radically different in that respect are the natural resources commonly called "land." No man nor any number of men can make land. Consequently no man can justly own it as his absolute property. A gift of nature to mankind, it is essentially a common inheritance.

But must not land be in many respects privately occupied and controlled? Certainly. The home maker must control the natural site of his home. So must farmers and other producers control sites and other natural resources of production. Exclusive control of land is a necessary condition of the best use of land; and exclusive control necessitates exclusive possession. This fact is recognized by the present social order, but in a defective way. Instead of securing to occupants of land exclusive possession and control as a privilege for use, governments have instituted perpetual private ownership as a right.

Such an institution is indefensible without the Single Tax safeguard. It violates economic law and moral law. No generation can rightfully give ownership of the earth to generations unborn. All it can properly do is to give private possession and control to users for use, so long as they account for its value to the community which causes that value.

3—Defects With Reference to Social Unity and Individual Liberty

From governmental violations of equal rights to the earth and its socially caused values, spring most

if not all other defects of our present social order.

This does not mean that all those defects would be removed if equal rights to the earth were established. Henry George made that phase of the Single Tax clear in *Social Problems* where he wrote: "Let me not be misunderstood. I do not say that in the recognition of the equal and unalienable right of each human being to the natural elements from which life must be supported and wants satisfied, lies the solution of all social problems. I fully recognize the fact that even after we do this, much will remain to do. We might recognize the equal right to land, and yet tyranny and spoliation be continued. But whatever else we do, so long as we fail to recognize the equal right to the elements of nature, nothing will avail to remedy that unnatural inequality in the distribution of wealth which is fraught with so much evil and danger. Reform as we may, until we make this fundamental reform our material progress can but tend to differentiate our people into the monstrously rich and the frightfully poor."

Let the fact be again emphasized that the Single Tax proposal, as made by Henry George, contemplates no such economic absurdity as turning all land into a public common. What it contemplates, as any thoughtful reading of *Progress and Poverty* will disclose, is radically different from that. It contemplates recognition of the common right as a fundamental principle to be rationally applied. This principle recognized, the Single Tax proposes

private possession and control of land, subject only to equitable taxes on the market value of the privilege, such taxes to take the place of all other revenue taxes.

To illustrate: The builder of a home, the cultivator of a farm, the owner or responsible manager of any kind of legitimate enterprise, must have absolute control of natural resources—of land. But it by no means follows that he and his successors for generations to come shall own the social values that attach to those resources. What he needs and is entitled to have is security of possession. Let him have that upon annually paying to the community the annual value of his special privilege, and all his own rights are secured along with security for its rights to the community, of which he is one.

Out of neglect to distinguish between the rights of producers to all they produce, and the rights of the community to the benefits which now accrue to land owners as land owners, spring defects of our social order with reference both to social unity and individual liberty.

Social unity and individual liberty should co-exist. That is an elementary natural law of human association. Socialists have recognized it with emphasis as "social solidarity"; philosophical anarchists have with like emphasis recognized individual liberty. But neither recognizes, as the Single Tax does, that social order demands social unity in social concerns along with individual liberty in individual concerns.

In the Single Tax concept personal liberty in individual matters and social unity in societary affairs is a natural law of human association. Henry George defined it when in *Progress and Poverty* he pointed out *association in equality* as the law of progress. This law involves individual liberty, for equality means precisely that. It also involves social unity, for that is what association means.

To reflect upon this natural social law we might picture the individual as a conscious being composed of unconscious cells, and the social whole or solidarity as an unconscious being composed of conscious cells. Do not the individuals composing the whole body of human society fairly correspond to the cells in the individual human body? What is the essential difference except that the cells composing the individual body are probably unconscious, whereas the individuals composing the social body are certainly conscious?

So we have on one hand conscious individuals who can govern themselves in their individual functions, and on the other hand a social whole which, lacking consciousness, cannot govern itself.

The social whole must be governed by the individuals who compose it. But that cannot be done directly, for individuals composing the social whole are too diverse in disposition to act in concert. They must organize a social agency or agencies for the social whole as such. Such an agency, whatever its form, is distinguished as "government."

It is the unconsciousness of the social mass as a

16 WHAT IS THE SINGLE TAX?

mass—of the “social solidarity” or unity—that necessitates governmental control. This control must be created for it by its conscious cells, the individual human beings of whom society is composed and from whom it derives its vitality.

Such control, government, must be sustained financially. How? By taxation of individuals in proportion to the financial benefits they command through their privilege of possessing natural resources. How shall those benefits be measured? By the market value of the natural resources in the possession of which the taxpayers are from year to year protected by government.

From neglect of that function, from allowing that value to be retained by privileged individuals, the unity of the present social order is weakened and individual liberty threatened.

CHAPTER III

CRITICISM OF PROPOSED REMEDIES

HOSTILE criticism of any remedy proposed for the defects of our present social order is out of harmony with Single Tax principle and policy. Though the Single Tax be critical of them all, its criticisms are offered with no ill will toward their advocates. The same spirit goes with its criticisms of methods for perpetuating instead of removing defects in the present social order. Only as contentions either way involve suppression of free speech or other individual rights, interferences with peaceful education, or incitements to violent revolutionary activities in countries where the laws allow peaceable democratic processes for social reform, is Single Tax criticism made in any hostile spirit. It abhors violent conflict; it invites orderly conference. "Let us reason together," is its only challenge.

As to the merits, then, of other than Single Tax remedies for social defects, the Single Tax offers criticism solely by way of frank and friendly discussion.

1—*Labor Unionism*

Labor Unionism, as such, proposes no general remedy for social defects. A defensive movement

against actual or alleged oppressions of employees by employers, its specific purpose is to regulate hired men's wages and the hours and other conditions of hired men's work.

Nevertheless, out of the limited range of Labor Union activities have come numerous suggestions for readjustment of our defective social order. Except, however, as those suggestions relate to conditions of employment and wages, they are outgrowths of the Labor Union movement rather than part of its purpose. In so far then as that movement does offer remedies for our defective social order, the remedies offered are superficial. In no radical or "down to the root" sense do they touch the causes of low wages and bad working conditions.

To the degree that those remedies succeed in maintaining high wages and fairer working conditions they do so arbitrarily, somewhat as a prop may support a falling structure. If the prop be withdrawn, down comes the structure. A prop is doubtless better than nothing, but a solid foundation is better than either.

This criticism is made with no purpose of undervaluing Trade Unionism. It has long served and it still serves needed social purposes. But its policies are superficial and its accomplishments unstable. It offers no fundamental remedy for defects of the present social order. What Chambers of Commerce are to one industrial class, Labor Unions are to another.

2—*Cooperative Societies*

Cooperative Societies, like Labor Unions, are useful within narrow bounds; but the remedies for defects of the present social order which they offer are inadequate. They are too superficial to touch the causes of those defects.

There is here no hint that such societies are not helpful. They are helpful. But all they do or can do in present social conditions is somewhat to assist a limited number of individual victims of our social disorder. They cannot cure social defects nor establish any basis for a cure.

The criticism of cooperative societies as a method of social reform, which Henry George made in *Progress and Poverty* as far back as 1879, is even more convincing now than when he made it. In discussing the subject at that time he wrote: "Waiving all the difficulties that under present conditions beset cooperation either of supply or of production, and supposing it so extended as to supplant present methods—that cooperative stores made the connection between producer and consumer with a minimum of expense, and cooperative workshops, factories, farms, and mines, abolished the employing capitalist who pays fixed wages, and greatly increased the efficiency of labor—what then? Why, simply that it would become possible to produce the same amount of wealth with less labor, and consequently that the owners of land, the source of all wealth, could command a greater amount of wealth for the use of their land."

3—*Money Reforms*

Agitation for reforms with reference to money followed close upon the end of our Civil War.

In its beginnings a system of easy exchange of governmental currency for government bonds and the reverse, money reform was quite generally advocated. By this system non-interest bearing currency could have been exchanged at any post office and at any time for government bonds bearing interest, and such bonds at any time for currency bearing no interest. The contention was that in times of currency excess, interest-bearing bonds would be purchased with currency, and in times of currency shortage bonds would be sold for currency. It was thus expected to keep the money volume constantly on a level with the need for money, and prices consequently uniform. However well-founded or ill-founded that expectation may have been, the plan was never adopted.

Whether for that reason or other reasons the money agitation developed into what was called "greenbackism." This proposed reform had considerable vogue as a side-party movement in American politics until about 1880. The movement had many phases. They included plans involving governmental issues of paper currency redeemable in taxes, and plans for unlimited paper currency with no redemption features at all.

In opposition to the "greenback" movement was the gold-money demand of the conservative classes.

Standard gold coin was then supposed to be an invariable measuring rod for all commodity values from year to year and generation to generation. The contrary has now been demonstrated. Fixed gold standards are not stable in value with reference to commodities. Consequently debts incurred at one time in terms of gold dollars and payable at a later time in the same terms may oblige the debtor to give more in products or the creditor to take less, than was borrowed. This situation has developed a rational movement for periodically altering the gold content of the standard dollar so as to make its value conform to standard price lists, and thereby give to it an unwavering power of purchase.

The defect of all money reforms, except the last one noted above, is that they are apt to ignore the vital fact that money is only a medium or language for comparing the relative desirability of commodities in the course of trade. Although it appeals to many imaginations as the object of trade, it is in fact no more than a token in the purse or a sign in ledgers, whereby some kinds of wealth or privilege may be conveniently traded for other kinds. Only a crazy miser of times long since gone wants money to store away. All others want it to sell things for and to buy things with.

Yet the confusion of money with goods is a common vagary of thoughtless thinking. During the old "greenback" days a "greenback" agitator was

heard to say with enthusiasm: "Money is the one thing in life. It is what you work for all day, and the first thing you want the next morning."

"That's not the first thing I want the next morning," a listener interrupted; "the first thing I want is my breakfast."

"Well," said the "greenbacker" in reply, "if you have money you can buy your breakfast."

The interrupter was silenced. He knew that he could buy his breakfast if he had money. It did not occur to him to respond that his money was only a medium for buying a breakfast with goods or services that had been sold for the money.

The only important requisite for money is that it be stabilized. This is necessary so that human services shall continuously approximate exchanges at par—on a level with one another. "A change in the general level of prices," as Pollock and Scholz explain in their excellent work on land valuation, "does not necessarily mean a corresponding change in the values of commodities—that is, their relative importance to each other—but merely a change in their relation to money or its equivalent. If the value of money falls, prices will rise, and if the value of money rises, prices will fall. But such changes in prices do not imply corresponding changes in the value of commodities. Money and its substitutes represent the medium of exchange, through the instrumentality of which ownership of goods is transferred from one person to another."

But the most perfect stabilization of money, the

most perfect currency conceivable, would not and could not remedy those deeper defects of our social order that are rooted in absolute private ownership—ownership without compensation to the public for the privilege—of the natural resources of the globe upon which we have to live.

4—*Protective Tariffs*

Protective tariffs are crude schemes for raising the prices of home-produced commodities and thereby—so the argument runs—of home wages. By levying taxes upon imports from other countries, thus increasing their prices—for taxes on products add to the prices consumers must pay—advocates of protective tariffs infer that high prices on home products will be encouraged and that therefore high wages for work will be paid by home employers.

The characteristics of that remedy for social defects are fully discussed from the Single Tax point of view by Henry George in *Protection or Free Trade*, which was published in 1886 when protection policies were extremely popular in the United States.

Tariff protection is not even a superficial remedy for social disorder. Nominally designed to encourage wealth production at home by lessening competition from abroad, it in fact chokes production at home by abnormally increasing the prices of "protected" home products and thereby lessening effective demand for their consumption.

What can protective tariffs be in practice but a check upon delivery of foreign products in exchange for domestic products? They obstruct trade for the benefit of domestic monopolies. Only in so far as world trade is free can home producers be free. Trade being absolutely essential to diversified production, the freer it is the better it must be for all producers.

5—*Philosophical Anarchism*

“Anarchism” would be a risky word to use if one’s readers were ignorant or thoughtless. But intelligent readers should encounter no difficulty in distinguishing physical force Anarchism from the Philosophical Anarchism with which Leo Tolstoy (one of the world’s greatest advocates of human brotherhood since the early years of the Christian era), who afterwards became a pronounced advocate of the Single Tax, was once supposed to be in sympathy on account of its non-resistant policies.

Philosophical Anarchism is but another name for Individualism, the extreme opposite of Socialism. Its meaning has been so perverted by the custom of thinking in epithets that possibly we might better write of it as Individualism. But whatever the name, both its principle and its policy for correcting the defects of our present social order lay all stress upon personal liberty, without any governmental control but such as each person may volun-

tarily submit to. Its ideal is abolition of government as we now know government, and substitution of full freedom to the individual to live his own life in his own way, alone or with others as his desires may dictate, and free from authoritative governmental control, interference, or compulsion of any kind. It assumes that if individuals were thus left in freedom they would not prey upon one another nor disturb the common peace, but would be lovers of honesty and good order, as those who advocate this relief from exactions of government try to be now.

Whether that condition would result need not come under consideration here. We are considering what seems from the Single Tax viewpoint to be the fundamental error of Anarchism of the Philosophical type—or of any other type. This error is the assumption of Philosophical Anarchism that coercive government is no legitimate part of social order.

In that respect Philosophical Anarchism is at the opposite pole from Socialism, which rests upon a theory that the individual should be in all things subordinate to the social whole. At this point the Single Tax differs radically from both Socialism and Philosophical Anarchism. Whereas Socialism recognizes social solidarity or social unity, irrespective of individual freedom, and Philosophical Anarchism recognizes individuality exclusively, the Single Tax recognizes both individuality and soli-

darity or social unity, each in its own sphere—individuality in individual concerns and solidarity or unity in social concerns.

That difference was picturesquely as well as truthfully illustrated by Henry George in *Protection or Free Trade*. "The term 'socialism' is used so loosely," he explained, "that it is hard to attach to it a definite meaning. I myself am classed as a socialist by those who denounce socialism, while those who profess themselves socialists declare me not to be one. For my own part I neither claim nor repudiate the name, and realizing as I do the correlative truth of both principles can no more call myself an individualist or a socialist than one who considers the forces by which the planets are held to their orbits could call himself a centrifugal-ist or a centripetalist."

6—Communism

Between Anarchism and Socialism, and crudely distributed in many discordant varieties, some of which are more or less violent in expression, is Communism.

This remedy for the defects of our present social order encounters criticism from the Single Tax, in part for some of its boisterous manifestations, but even more insistently for its disregard, whatever its variety, of the individual and his rights as such in favor of communal groups. As Harry Gunnison Brown, Professor of Economics in the University

of Missouri, said in an address before the Manhattan Single Tax Club in 1926, "The essence of communism lies in the equal sharing in the products of industry without much regard to contribution or efficiency." Such an adjustment of economic interests would seem to be at variance with every principle of industrial relationships that can appeal to reasoning minds.

7—*Socialism*

Dominance by the social whole is, as already observed, the outstanding principle of Socialism. Its implications are that individuals have no rights, as individuals, which the social solidarity is bound to respect. Some Socialists may deny this doctrine, others may modify it; but it is difficult to reflect upon Socialist literature without recognizing the governing principle to be exclusive devotion to social solidarity.

Perhaps the description of Socialism offered by Professor Brown in his Manhattan Single Tax Club speech of 1926 may be more acceptable than the above to Socialists. In the course of that speech Professor Brown said: "The Socialists regard all income from property as unearned and consider only the income from work as legitimate. The Socialist is not necessarily a Communist. He may not desire to have all incomes equal. He may not wish that the enjoyments of the efficient worker shall be decreased in order that the inefficient worker

shall have more. His complaint is not that incomes from work are unequal—although he doubtless sometimes regards them as more unequal than they should be—but that many individuals receive income from *property*. The Socialist would have the public own and operate industrial plants in order that individuals should not get income from investments but only from their labor.”

From the Single Tax point of view Socialism ignores the natural difference between functions that are individual and those that are social.

To socialize any pursuit which in its nature requires governmental permission or authority for private operation—public highways, for instance—may be sustained on the principle that a business which in its nature can be pursued only with governmental permission, should be operated by government itself instead of being farmed out to profit-piling corporations.

But to socialize all industrial pursuits, individual as well as governmental—thus obstructing individual initiative and enterprise in their own fields—would make government the autocratic master and destroy individual liberty. It would widen the legitimate powers of government as the agent of the social whole, and narrow the legitimate liberties of the individual. It would substitute an artificial and arbitrary social order for the present defective one. It would involve, to quote from *Progress and Poverty*, “the substitution of governmental direc-

tion for the play of individual action, and the attempt to secure by restriction what can better be secured by freedom."

The conflict of principle is most pronounced in connection with wealth distribution. The Single Tax appeals to natural laws of wealth distribution, whereas Socialism denies the existence of natural law on that subject. It insists that wealth distribution, now a helter-skelter process, must be legislatively organized.

The incongruity of that contention was indicated by Max Hirsch, the economist and well-remembered leader of the Single Tax movement in Australia, when he presented it as involving a denial of natural rights. He did this in *Democracy versus Socialism* where he wrote that "the conception of a right includes that of a duty to respect that right"; that "the denial of natural rights therefore involves the denial of natural duties"; and that "if all rights are granted by the state, all duties are imposed by the state." Consequently, as he in substance concluded, moral conduct would be conduct according to legislation, morality being "merely a secondary term for legality."

In some respects the present social order conforms, with more or less fidelity, to natural social law; but in other and vital respects it attempts to ignore the natural relations of social life, and with deplorable results.

The attitude toward Socialism of the originator

30 WHAT IS THE SINGLE TAX?

of the Single Tax movement may be found in *Progress and Poverty*, which he wrote before Socialism had attracted much attention in the United States: "The ideal of Socialism is grand and noble; and it is, I am convinced, possible of realization; but such a state of society cannot be manufactured—it must grow. Society is an organism, not a machine."

CHAPTER IV

THE SINGLE TAX IDEAL OF A NEW SOCIAL ORDER

THE Single Tax offers no plan for manufacturing a new social order. It regards human society as a natural growth, not as an artificial contrivance. If social order be cultivated in accordance with the natural laws of social life, it will progress. If such cultivation be hindered or neglected, to that extent will natural social growth be thwarted. Civilization is not a factory product; it is a garden process.

The Single Tax principle in that respect was precisely formulated by Henry George in *Progress and Poverty*, where he wrote that "the incentives to progress are the desires inherent in human nature—the desire to gratify the wants of the animal nature, the wants of the intellectual nature, and the wants of the sympathetic nature; the desire to be, to know, and to do—desires that short of infinity can never be satisfied, as they grow by what they feed on."

Developing that elementary principle, he described mind as the instrument by which man advances and by which "each advance is secured and made the vantage ground for new advances." Although the individual can go but a short distance,

he continued, "generations succeeding to the gain of their predecessors, may gradually elevate the status of mankind, as coral polyps, building one generation upon the work of the other, gradually elevate themselves from the bottom of the sea."

Concluding then that mental power is the motor of progress and that "men tend to advance in proportion to the mental power expended in progression—the mental power which is devoted to the extension of knowledge, the improvement of methods, and the betterment of social conditions," Henry George led on to his conception of the natural law of human progress.

Illustratively on the way he compared human society to a boat. "Her progress through the water," he observed, "will not depend upon the exertion of her crew, but upon the exertion devoted to propelling her"; and "this will be lessened by any expenditure of force required for bailing or any expenditure of force in fighting among themselves, or in pulling in different directions."

Thereupon follows his argument and conclusion: "As in a separated state the whole powers of man are required to maintain existence, and mental power is set free for higher uses only by the association of men in communities, which permits the division of labor and all the economies which come with the cooperation of increased numbers, *association is the first essential* of progress. Improvement becomes possible as men come together in peaceful association, and the wider and closer the association,

the greater the possibilities of improvement. And as the wasteful expenditure of mental power in conflict becomes greater or less as the moral law which accords to each an equality of rights is ignored or is recognized, *equality (or justice) is the second essential of progress.*"

His consequent declaration was that "*association in equality is the law of progress.*"

I—ECONOMIC ASPECTS

The Single Tax contention indicated above, that the social sciences, like all other sciences, are within the realm of natural law, runs counter to a response that social science is governed by no natural laws. This adverse contention is sometimes so modified as to admit of natural social law, but to limit its operation to physical phases, such as relate to farming, mining or mechanics. Yet it would seem improbable that the social sciences in any of their phases can be outside the jurisdiction of natural law. One should at least be pardoned for challenging the citation of an instance. Can any instance be cited in which social order is no better or worse nor in any wise affected by conformity to or defiance of natural law, whether physical or not? If so, let the possibility be suggested and reasonably explained.

Does not theft violate natural law—not ethical principles alone nor religious doctrines, but natural laws of human association? Perhaps the thief may

be economically benefited by his thefts, but what of the persons robbed? And what about the social whole? Would a community of 100 prosper, as a community, if some of its individuals prospered by robbing others? Why not? Because stealing lessens the productive powers of the whole. If the normal product of a community were 100, it would be lessened by at least 25 if some members stole that much from others instead of producing it. Nor would it make any difference whether the stealing were done lawfully or unlawfully.

How can any science be independent of natural law? Surely the physical sciences are not. Every labor-saving invention that serves mankind to-day is a result of discoveries and applications of natural law. Moreover, in their operation they are dependent upon continuous adaptation to natural law. Man is not a creator; he is an adapter.

To jump over a steep precipice is to invite destruction. Natural law makes it so. To use a well-constructed parachute is to avert destruction. That result also is determined by natural law. Nor does the fact that the jumper has a free choice make any difference. It all depends upon the kind of choice he makes, whether it be in defiance of or in indifference to natural law or in harmony with it.

Nor does there seem to be any reason for their guess that new inventions create natural laws. Is it not more reasonable to believe that the natural laws governing telegraphic discovery and development existed ages before Benjamin Franklin drew

electricity down his kite string from the clouds? Why should human ignorance of natural law testify to its non-existence? Hardly half a century ago public opinion was united, and most scientists of the time agreed with it, in the judgment that the human voice could not be preserved. To-day we may listen to the voices of the dead, their very own. How? Through the phonograph which has preserved them. Is that machine a creation or an adaptation? Did the natural laws to which it is adapted exist before its invention, or were they created by the inventor? The question may seem foolish. It would be foolish but for the contention that human activities are not necessarily subject to natural law.

To that contention some economists are especially devoted. It is perhaps only fair to them to note that they mistake business customs for economic science. Business customs may or may not be in harmony with natural economic law. In that respect they are like personal habits. But economic science, the science of "mankind making a living," as it has been well defined, can hardly ignore the evident fact that everything and everybody within its sphere is subject to natural economic law. No less certain must this truth be than the truth that everybody and everything physical is subject to natural physical law.

By natural law in this connection we of course do not mean to suggest that Nature has indulged in legislation or her judiciary (if she has one) in

setting precedents. Natural law is not a collection of rules with penalties attached. By natural law is meant the orderliness of nature in consequence of which identical effects, good or ill, invariably flow from identical causes.

Nor does natural law interfere with freedom of choice. Both individually and in social wholes men are at liberty to make choices. But the results of their choices depend upon their conformity to the natural laws that apply, and their expenditure of mental and physical energy in seeking realization. They may succeed by accidental choice. They may succeed by industrious research. But whether they succeed or not, it is to the operation of natural law that all results are due. No phenomenon is reasonably conceivable except as a result of obedience to or ignorance or defiance of natural law.

Applied to economics or sociology the principle of cause and effect is the principle of progress or of its opposite. For human society to adjust itself righteously to the natural order of social development—freedom, justice, industry and fellowship—is to grow and prosper. For human society to fall into and perpetuate customs at variance with natural order—slavery, special privileges, indolence, ignorance and class discriminations—is to decline and decay. Whoever doubts it, let him call history to the witness stand.

Be all that as it may, however,—that contention for natural law throughout the realm of economics and sociology—there are at least some phases of

economics in which natural law is positively manifest. Those are the phases that relate to the production of the artificial objects which in economic terms are distinguished as "wealth"—food, clothing, works of art, luxuries, buildings, household utensils, furniture, machinery, railway structures, railway cars, and all the rest. No such objects can exist except as they are produced in accordance with natural law by man upon and from natural resources.

1—Natural Resources

Included in that descriptive phrase, "natural resources," is the ground upon which producers must stand while they produce, and upon which everything they use must rest. Besides the surface of the earth the same phrase includes every natural thing beneath the surface of the earth to the center, and above the surface to the uttermost limits of human utilization. It therefore of course includes the air, and even the ether waves on which radio transmissions are borne; also the waters of the seven seas and all natural objects upon and within them. Everything of Nature, except man himself, is included in the descriptive phrase "natural resources."

Man is not included because he is not a natural resource for man. This is assuredly true even if some men have tried to make other men such a resource, as in slavery times and places. Natural resources for mankind are those contributions of Nature upon which man may rest the soles of his

feet and from and upon which he may by his industry produce satisfactions for his wants.

How can anyone reasonably dispute the Single Tax proposition that natural resources thus defined cannot be justly treated as absolutely private property, like houses or other products of human work?

Nor on the other hand, should they be publicly owned. A better adjustment than either private or public ownership of natural resources must be made for their fair and efficient management. On that point the founder of the Single Tax was explicit. The adjustment he proposed will be considered farther on.

For "natural resources" the technical term in economics is "land." An extended explanation of what constitutes "land" has seemed necessary—considering the extent and influences of careless thought on the matter—to avert a tendency to regard "land" as consisting of no other natural resources than agricultural areas.

As a fundamental principle of natural law the Single Tax regards "land," in the comprehensive sense of all "natural resources," as a common heritage of mankind, the advantages of which cannot be rightfully or beneficially diverted by any generation or succession of generations. No matter how completely and generally that natural principle may have been obstructed in operation by social custom it remains operative as a natural law. In so far as that natural law is obeyed, social progress is fostered; but in so far as it is obstructed or ignored,

social decline sets in, and leads on to social disaster.

In our social order the law is ignored—grossly ignored.

How could it be more grossly ignored than by treating land (natural resources) as private property in the same absolute sense that products of industry should be treated as private property? The latter are industrial results; the former are natural opportunities for industry and life.

Land is absolutely different from everything else as a subject of property, except man himself. To monopolize land is to own slaves. True enough in its implications was that fable of two human groups, each on a different island in the middle of the ocean. On one of the islands one person owned all the others; they admitted themselves to be his slaves. On the other island no man owned another but one owned the island and all the others admitted his title. How did the condition of the inhabitants of those two islands differ essentially?

Mild indeed was the observation of Alfred Russel Wallace, a distinguished British scientist of Darwin's day, when he declared that "unrestricted private property in land gives to individuals a large proportion of the wealth created by the community at large."

Subject, then, to natural economic law, the Single Tax would promote a righteous development of social order. By no such crude methods, however, as some critics suppose. The Single Tax does not so construe the fundamental principle that land is

a common inheritance as to encourage any such absurd plan of making it common as government ownership would be.

Its greatest leader and only authority thought he had made that clear—to reflective minds he did make it clear—when in *Progress and Poverty* he wrote: “The complete recognition of common rights to land need in no way interfere with the complete recognition of individual rights to improvements or produce. Two men may own a ship without sawing her in half. The ownership of a railway may be divided into a hundred thousand shares, and yet trains be run with as much system and precision as if there were but a single owner. . . . Everything could go on as now, and yet the common right to land be fully recognized by appropriating rent to the common benefit.”

It ought not to be necessary to emphasize the fact, though with some readers it may be, that by the word “rent” the Single Tax ideal does not mean rent for real estate inclusive of improvements. What is always meant by that word in Single Tax and other accurate economic phrasing, is land-value obligations in return for the exclusive control of land—of natural resources regardless of improvements.

All workers contribute, as part of the social whole, to the creation of those values. Without that social contribution land would have no value. Did not Robinson Crusoe find this out on his island

while he lived there alone? Nor do purely mental workers escape the contribution. Neither do they escape the penalties of a fiscal system which taxes wealth producers while to any extent exempting land ownership. Not only do mental workers contribute to wealth production but they, as well as other producers, must have land upon which to work. Consequently they, as well as all other producers, as producers, suffer from taxation of produced wealth instead of land values. Not only are they deprived of their share of community-produced wealth (land values), but they are penalized by taxes upon their own individual industry.

That characterization of land value is confirmed in a recent scientific work on land valuation which has been already referred to in another connection. "Since land values tend to rise," so the argument on this point in that book runs, "because of the increased demand for land with increasing population and increased production, it becomes obvious that a tax levied against such increasing land values cannot impose a burden on the owner of the land. He has not been instrumental, as an individual, in increasing the value of a tract of land, but only as a member of the community, except to the extent that the community has declared its willingness to give him a profit for developing a certain location. . . . Not so with improvements on land. They require individual effort, individual sacrifice to produce them. They involve definite costs of produc-

tion, and a tax levied against such products of human labor in reality resolves itself into a tax imposed upon human effort."

So that there may be no misunderstanding on the problem of rights to land in connection with the Single Tax ideal, let us turn to another specific declaration of its founder, one in perfect harmony with all his other declarations on the subject. It appears in *Protection or Free Trade*:

"It is absolutely necessary to the proper use and improvement of land that society should secure to the user and improver safe possession.

"This point is constantly raised by those who resent any questioning of our present treatment of land. They seek to befog the issue by persistently treating every proposition to secure equal rights to land as though it were a proposition to secure an equal division of land, and attempt to defend private property in land by setting forth the necessity of securing safe possession to the improver.

"But the two things are essentially different.

"In the first place equal rights to land could *not* be secured by the equal division of land, and in the second place it is *not* necessary to make land the private property of individuals in order to secure to improvers that safe possession of their improvements that is needed to induce men to make improvements. On the contrary, private property in land, as we may see in any country where it exists, enables mere dogs in the manger to levy blackmail upon improvers. It enables the mere owner of land

to compel the improver to pay him for the privilege of making improvements, and in many cases it enables him to confiscate the improvements.

"Here are two simple principles, both of which are self-evident:

"1. That all men have equal rights to the use and enjoyment of the elements provided by Nature.

"2. That each man has an exclusive right to the use and enjoyment of what is produced by his own labor.

"There is no conflict between these principles. On the contrary they are correlative. To secure fully the individual right of property in the produce of labor we *must* treat the elements of nature as common property. If any one could claim the sunlight as his property and could compel me to pay him for the agency of the sun in the growth of crops I had planted, it would necessarily lessen my right of property in the produce of my labor. And conversely, where every one is secured the full right of property in the produce of his labor, no one can have any right of property in what is not the produce of labor.

"No matter how complex the industrial organization, nor how highly developed the civilization, there is no real difficulty in carrying out these principles. All we have to do is to treat the land as the joint property of the whole people, just as a railway is treated as the joint property of many shareholders, or as a ship is treated as the joint property of several owners.

"In other words, we can leave land now being used in the secure possession of those using it, and leave land now unused to be taken possession of by those who wish to make use of it, on condition that those who thus hold land shall pay to the community a fair rent for the exclusive privilege they enjoy—that is to say, a rent based on the value of the privilege the individual receives from the community in being accorded the exclusive use of this much of the common property, and which should have no reference to any improvement he had made in or on it, or to any profit due to the use of his labor and capital. In this way all would be placed upon an equality in regard to the use and enjoyment of those natural elements which are clearly the common heritage; and that value which attaches to land, not because of what the individual user does, but because of the growth of the community, would accrue to the community, and could be used for purposes of common benefit."

Interpreted by that explanation, what Henry George proposed and the Single Tax means is "*to abolish all taxation save that upon land values.*"

Here, briefly, was his argument, an argument upon which the Single Tax principle and policy rest: "As we have seen, the value of land is at the beginning of society nothing, but as society develops by the increase of population and the advance of the arts, it becomes greater and greater. In every civilized country, even the newest, the value of the land taken as a whole is sufficient to

bear the entire expenses of government. In the better developed countries it is much more than sufficient. Hence it will not be enough merely to place all taxes upon the value of land. It will be necessary, where rent exceeds the present governmental revenues, commensurately to increase the amount demanded in taxation, and to continue this increase as society progresses and rent advances. But this is so natural and easy a matter, that it may be considered as involved, or at least understood, in the proposition to put all taxes on the value of land. That is the first step, upon which the practical struggle must be made."

2—*Production of Wealth*

As evidently as that nothing for the satisfaction of human wants can be produced otherwise than by the use of natural resources, is it also true that nothing for that purpose can be produced otherwise than by human work.

Here again we must acknowledge natural law as the controlling force—at any rate until some one tells us how to produce satisfactions for human wants without human work.

Humanly produced satisfactions for human wants are incontestably artificial objects. They are produced from and upon natural resources by the energy and the art of man. Even the transfer of a berry directly from a wild bush to a human mouth involves human energy.

For artificial objects the technical economic term

is "wealth." So understood, "wealth" is not composed, either wholly or in part, of credits in the ledgers of a bank, or of stocks or bonds, or of deeds or mortgages, or of money. Those are only titles to marketable objects, whether "wealth" or "land" or other commodities. Neither does "wealth" consist of "land" or titles to "land." As a technical word it must be limited in significance to its specific meaning, namely, "artificial objects."

When so limited "wealth" is the name for objects which cannot by any possibility within human imagination up to date, be produced otherwise than by application of human work to natural resources—that is to say, in technical economic terms, of "labor" to "land."

As has been already indicated in these pages, but little wealth and that of the crudest kind could be produced by a solitary individual. He could not go far beyond gathering wild fruits and vegetables and trapping and domesticating wild animals. So manifest is this observation that De Foe, when he told the Crusoe story, was obliged to equip his hero from a stranded vessel with implements for procuring food and clothing. Imagine the Crusoe story with the stranded vessel left out!

Production of wealth as we see the process in the civilized regions of our time, is by social unity—the social solidarity, as Socialists would say—by social bodies in contradistinction to individuals. Not that the individual is buried in the mass, but that he participates in the activities of the mass

and thereby unifies and tremendously multiplies the effects of individual operations. This process is generally known in economic circles as "division of labor."

What then does that term mean—"division of labor"? It means to any and every one who gives any careful thought to the facts of human life about him, that workers specialize. Some make one thing and some another out of unfinished products of still other workers.

Let your thought run for a moment in detail on the production of even so simple an object as a loaf of bread bought at a bakery. Is there not involved in its production and delivery a multitude of individual human activities? Consider the baker and his assistants. Also the construction and care of the building in which his business is located. Also the various equipments for the bakery. Then the railways, the flour mills, the trucks, and the farm hands and farm equipments. Think, too, of the machinery used for construction of the buildings and preparation of the building material. All are involved, with a vast variety of other objects (natural and artificial), in the production of that loaf of bread—that little item of consumable wealth. An army of men has contributed to its making. This illustrates the complex processes of producing all other artificial objects—all forms of wealth.

With the aid of such an illustration we should have no difficulty, when the wealth production of

the whole world is considered, in recognizing the human solidarity or unity that accounts for the continuous production of the vast and varied forms of wealth which supply the wants of man. They make a stream of wealth that would instantly cease to flow were the continuous application to natural resources of specialized human labor withdrawn, or interchanges of the products stopped.

For an eloquent as well as instructive illustration of the productive process and its influence on product values and land values—an impressive picture of industrial progress,—nothing could be better or more interesting than Henry George's story of the development of a great city on the site of a broad savannah. Here it is without condensation or omission:

“Here, let us imagine, is an unbounded savannah, stretching off in unbroken sameness of grass and flower, tree and rill, till the traveler tires of the monotony. Along comes the wagon of the first immigrant. Where to settle he cannot tell—every acre seems as good as every other acre. As to wood, as to water, as to fertility, as to situation, there is absolutely no choice, and he is perplexed by the embarrassment of richness. Tired out with the search for one place that is better than another, he stops—somewhere, anywhere—and starts to make himself a home. The soil is virgin and rich, game is abundant, the streams flash with the finest trout. Nature is at her very best. He has what, were he in a populous district, would make him rich; but

he is very poor. To say nothing of the mental craving, which would lead him to welcome the sorriest stranger, he labors under all the material disadvantages of solitude. He can get no temporary assistance for any work that requires a greater union of strength than that afforded by his own family, or by such help as he can permanently keep. Though he has cattle, he cannot often have fresh meat, for to get a beefsteak he must kill a bullock. He must be his own blacksmith, wagon-maker, carpenter, and cobbler—in short, a 'jack of all trades and master of none.' He cannot have his children schooled, for, to do so, he must himself pay and maintain a teacher. Such things as he cannot produce himself, he must buy in quantities and keep on hand, or else go without, for he cannot be constantly leaving his work and making a long journey to the verge of civilization; and when forced to do so, the getting of a vial of medicine or the replacement of a broken auger may cost him the labor of himself and horses for days. Under such circumstances, though nature is prolific, the man is poor. It is an easy matter for him to get enough to eat; but beyond this, his labor will suffice to satisfy only the simplest wants in the rudest way.

"Soon there comes another immigrant. Although every quarter section of the boundless plain is as good as every other quarter section, he is not beset by any embarrassment as to where to settle. Though the land is the same, there is one place that is clearly better for him than any other place, and that is

150 WHAT IS THE SINGLE TAX?

where there is already a settler and he may have a neighbor. He settles by the side of the first comer, whose condition is at once greatly improved, and to whom many things are now possible that were before impossible, for two men may help each other to do things that one man could never do.

"Another immigrant comes, and, guided by the same attraction, settles where there are already two. Another, and another, until around our first comer there are a score of neighbors. Labor has now an effectiveness which, in the solitary state, it could not approach. If heavy work is to be done, the settlers have a log-rolling, and together accomplish in a day what singly would require years. When one kills a bullock, the others take part of it, returning when they kill, and thus they have fresh meat all the time. Together they hire a schoolmaster, and the children of each are taught for a fractional part of what similar teaching would have cost the first settler. It becomes a comparatively easy matter to send to the nearest town, for some one is always going. But there is less need for such journeys. A blacksmith and a wheelwright soon set up shops, and our settler can have his tools repaired for a small part of the labor it formerly cost him. A store is opened and he can get what he wants as he wants it; a post-office, soon added, gives him regular communication with the rest of the world. Then come a cobbler, a carpenter, a harnessmaker, a doctor; and a little church soon arises. Satisfactions become possible that in the solitary

state were impossible. There are gratifications for the social and the intellectual nature—for that part of the man that rises above the animal. The power of sympathy, the sense of companionship, the emulation of comparison and contrast, open a wider, and fuller, and more varied life. In rejoicing, there are others to rejoice; in sorrow, the mourners do not mourn alone. There are husking bees, and apple parings, and quilting parties. Though the ballroom be unplastered and the orchestra but a fiddle, the notes of the magician are yet in the strain, and Cupid dances with the dancers. At the wedding, there are others to admire and enjoy; in the house of death, there are watchers; by the open grave stands human sympathy to sustain the mourners. Occasionally, comes a straggling lecturer to open up glimpses of the world of science, of literature, or of art; in election times, come stump speakers, and the citizen rises to a sense of dignity and power, as the cause of empires is tried before him in the struggle of John Doe and Richard Roe for his support and vote. And, by and by, comes the circus, talked of months before, and opening to children whose horizon has been the prairie, all the realms of the imagination—princes and princesses of fairy tale, mail-clad crusaders and turbaned Moors, Cinderella's fairy coach, and the giants of nursery lore; lions such as crouched before Daniel, or in circling Roman amphitheater tore the saints of God; ostriches who recall the sandy deserts; camels such as stood around when

the wicked brethren raised Joseph from the well and sold him into bondage; elephants such as crossed the Alps with Hannibal, or felt the sword of the Maccabees; and glorious music that thrills and builds in the chambers of the mind as rose the sunny dome of Kubla Khan.

“Go to our settler now, and say to him: ‘You have so many fruit trees which you planted; so much fencing, such a well, a barn, a house—in short, you have by your labor added so much value to this farm. Your land itself is not quite so good. You have been cropping it, and by and by it will need manure. I will give you the full value of all your improvements if you will give it to me, and go again with your family beyond the verge of settlement.’ He would laugh at you. His land yields no more wheat or potatoes than before, but it does yield far more of all the necessaries and comforts of life. His labor upon it will bring no heavier crops, and, we will suppose, no more valuable crops, but it will bring far more of all the other things for which men work. The presence of other settlers—the increase of population—has added to the productiveness, in these things, of labor bestowed upon it, and this added productiveness gives it a superiority over land of equal natural quality where there are as yet no settlers. If no land remains to be taken up, except such as is as far removed from population as was our settler’s land when he first went upon it, the value or rent of this land will be measured by the whole of this added

capability. If, however, as we have supposed, there is a continuous stretch of equal land, over which population is now spreading, it will not be necessary for the new settler to go into the wilderness, as did the first. He will settle just beyond the other settlers, and will get the advantage of proximity to them. The value or rent of our settler's land will thus depend on the advantage which it has, from being at the center of population, over that on the verge. In the one case, the margin of production will remain as before; in the other, the margin of production will be raised.

"Population still continues to increase, and as it increases so do the economies which its increase permits, and which in effect add to the productiveness of the land. Our first settler's land, being the center of population, the store, the blacksmith's forge, the wheelwright's shop, are set up on it, or on its margin, where soon arises a village, which rapidly grows into a town, the center of exchanges for the people of the whole district. With no greater agricultural productiveness than it had at first, this land now begins to develop a productiveness of a higher kind. To labor expended in raising corn, or wheat, or potatoes, it will yield no more of those things than at first; but to labor expended in the subdivided branches of production which require proximity to other producers, and, especially, to labor expended in that final part of production, which consists in distribution, it will yield much larger returns. The wheat-grower may go further on,

and find land on which his labor will produce as much wheat, and nearly as much wealth; but the artisan, the manufacturer, the storekeeper, the professional man, find that their labor expended here, at the center of exchanges, will yield them much more than if expended even at a little distance away from it; and this excess of productiveness for such purposes the landowner can claim just as he could an excess in its wheat-producing power. And so our settler is able to sell in building lots a few of his acres for prices which it would not bring for wheat-growing if its fertility had been multiplied many times. With the proceeds, he builds himself a fine house, and furnishes it handsomely. That is to say, to reduce the transaction to its lowest terms, the people who wish to use the land build and furnish the house for him, on condition that he will let them avail themselves of the superior productiveness which the increase of population has given the land.

“Population still keeps on increasing, giving greater and greater utility to the land, and more and more wealth to its owner. The town has grown into a city—a St. Louis, a Chicago or a San Francisco—and still it grows. Production is here carried on upon a great scale, with the best machinery and the most favorable facilities; the division of labor becomes extremely minute, wonderfully multiplying efficiency; exchanges are of such volume and rapidity that they are made with the minimum of friction and loss. Here is the heart,

the brain, of the vast social organism that has grown up from the germ of the first settlement; here has developed one of the great ganglions of the human world. Hither run all roads, hither set all currents, through all the vast regions round about. Here, if you have anything to sell, is the market; here, if you have anything to buy, is the largest and the choicest stock. Here intellectual activity is gathered into a focus, and here springs that stimulus which is born of the collision of mind with mind. Here are the great libraries, the storehouses and granaries of knowledge, the learned professors, the famous specialists. Here are museums and art galleries, collections of philosophical apparatus, and all things rare, and valuable, and best of their kind. Here come great actors, and orators, and singers, from all over the world. Here, in short, is a center of human life, in all its varied manifestations.

"So enormous are the advantages which this land now offers for the application of labor that instead of one man with a span of horses scratching over acres, you may count in places thousands of workers to the acre, working tier on tier, on floors raised one above the other, five, six, seven and eight stories from the ground, while underneath the surface of the earth engines are throbbing with pulsations that exert the force of thousands of horses.

"All these advantages attach to the land; it is on this land and no other that they can be utilized, for here is the center of population—the focus of

exchanges, the market place and workshop of the highest forms of industry. The productive powers which density of population has attached to this land are equivalent to the multiplication of its original fertility by the hundred-fold and the thousand-fold. And rent, which measures the difference between this added productiveness and that of the least productive land in use, has increased accordingly. Our settler, or whoever has succeeded to his right to the land, is now a millionaire. Like another Rip Van Winkle, he may have lain down and slept; still he is rich—not from anything he has done, but from the increase of population. There are lots from which for every foot of frontage the owner may draw more than an average mechanic can earn; there are lots that will sell for more than would suffice to pave them with gold coin. In the principal streets are towering buildings, of granite, marble, iron, and plate glass, finished in the most expensive style, replete with every convenience. Yet they are not worth as much as the land upon which they rest—the same land, in nothing changed, which when our first settler came upon it had no value at all.

“That this is the way in which the increase of population powerfully acts in increasing rent, whoever, in a progressive country, will look around him, may see for himself. The process is going on under his eyes. The increasing difference in the productiveness of the land in use, which causes an increasing rise in rent, results not so much from the neces-

sities of increased population compelling the resort to inferior land, as from the increased productiveness which increased population gives to the lands already in use. The most valuable lands on the globe, the lands which yield the highest rent, are not lands of surpassing natural fertility, but lands to which a surpassing utility has been given by the increase of population.

"The increase of productiveness or utility which increase of population gives to certain lands, in the way to which I have been calling attention, attaches, as it were, to the mere quality of extension. The valuable quality of land that has become a center of population is its superficial capacity—it makes no difference whether it is fertile, alluvial soil like that of Philadelphia; rich bottom land like that of New Orleans; a filled-in marsh like that of St. Petersburg, or a sandy waste like the greater part of San Francisco.

"And where value seems to arise from superior natural qualities, such as deep water and good anchorage, rich deposits of coal and iron, or heavy timber, observation also shows that these superior qualities are brought out, rendered tangible, by population. The coal and iron fields of Pennsylvania, that to-day [1879] are worth enormous sums, were fifty years ago valueless. What is the efficient cause of the difference? Simply the difference in population. The coal and iron beds of Wyoming and Montana, which to-day [1879] are valueless, will, in fifty years from now, be worth

millions on millions, simply because, in the meantime, population will have greatly increased.

"It is a well provisioned ship, this on which we sail through space. If the bread and beef above decks seem to grow scarce, we but open a hatch and there is a new supply, of which before we never dreamed. And very great command over the services of others comes to those who as the hatches are opened are permitted to say, 'This is mine!'

"To recapitulate: The effect of increasing population upon the distribution of wealth is to increase rent, and consequently to diminish the proportion of the produce which goes to capital and labor, in two ways: First, By lowering the margin of cultivation. Second, By bringing out in land special capabilities otherwise latent, and by attaching special capabilities to particular lands.

"I am disposed to think that the latter mode, to which little attention has been given by political economists, is really the more important. But this, in our inquiry, is not a matter of moment."

To avoid misapprehension it should perhaps be again explicitly stated that producers of wealth are not only those workers who engage in the task physically. They include all classes of useful workers—the professional classes, clerks, personal servants and business men, as well as mechanics and farmers.

To the extent that mental workers assist physical workers, however indirectly, they are wealth producers. So are the producers who accumulate titles

to produced wealth and use any of it in exchange for means of producing more wealth—factories, machinery, vegetable seeds, or any other form of that part of wealth which may be distinguished as “capital.” That is what is meant by the allusion to “capital” in the latter part of the foregoing quotation from Henry George—the allusion that couples it with “labor.”

Of “labor,” “capital” is both a product and a partner. The simplest illustration, probably, would be afforded by the farmer who with his previous earnings buys a truck wagon; or by the mechanic who sells products of his previous labor and with the money he gets for them buys a chisel or a paint brush. The truck-wagon, the chisel or the paint brush, would be “capital.”

From what has preceded, an inference should be clear that trade is an imperative necessity of wealth production, and that the freer it is the more effective and voluminous the production of wealth will be. There can, of course, be no continuous specialization in production without continuous trade. It is this interchange that brings the multifarious specialty products into conjunction with one another so as to make complete products for delivery to consumers.

But the subject of trade has been assigned for consideration to a later division of this chapter, the division entitled “Exchange.” Its discussion must therefore be postponed until we have considered the distribution of produced wealth.

3—*Distribution of Wealth*

A common misapprehension of the economic meaning of distribution of wealth necessitates introductory correction. "Distribution" is often used as a synonym for *delivery* to consumers; but delivery of wealth to consumers is really part of the process of production.

When a retail store-keeper sends goods out of his stock to the home of a customer, he is *producing* that wealth, those goods, as truly as if he were making them—producing them *to* the consumer. His carrier is as certainly working at production as was anyone along the complicated lines of production from original sources.

What is properly meant by distribution of wealth is not any phase whatever of production, as delivery is; it is the apportionment of what has been produced—the principle of natural law, that is, which governs the *sharing* of wealth.

When wealth has been produced it must be shared among its producers. Sharing of wealth, that is to say distribution of products, is an absolute condition of wealth production. Although distribution in the sense of sharing necessarily follows production, expectation of such distribution is by natural law the cause of production. Nobody would produce if it were certain that products would not be distributed in the sense of shared. Although the sharing be in practice unequal, even unfair, the sharing of wealth is by natural law a condition of the production of wealth.

The notion that there are no natural laws of wealth distribution appears, as already indicated in these pages, to have found its way into modern economic cults from the socialistic philosophy. Of socialism in that respect Max Hirsch wrote that "the most prominent of the conceptions on which it is based is that there are no natural laws which govern the distribution of wealth, that distribution may be governed by municipal enactments alone, and that, therefore, its arbitrary regulation is a necessary function of the state, and the only means by which justice in distribution can be achieved." Hirsch's comment upon that socialistic conception can hardly be refuted. "If true," he commented, "then socialism is not scientific because there is no science on which it can be based; if untrue, then socialism is unscientific because it disregards the science on which the economic part of politics must be based."

Is it not manifest, be socialism the original sponsor for the contrary view or not, that distribution of wealth is governed by natural law—being just and fair except as natural law is obstructed by legal customs or legislative enactments? Surely the principle of distribution or sharing is a natural principle—a natural law. This may not be offhand as manifest, but it is certainly as true, as that the principle of production is natural. Since by natural law there can be no production of wealth without application of labor to land—human work to natural resources,—it follows that the distribution

of wealth is naturally governed by the productive relations of labor to land. And that logical deduction is a proved fact. Only as natural law is obstructed by robbery or conflicting legislation or custom, are earners deprived of their full earnings.

The natural earnings of earners are their products. Whether one has a natural title to more than others depends upon whether he has contributed more or better labor to the total. This can be ascertained only as the relative speed of a runner can be determined—by fair competition, which is also an expression of natural law.

Competition has been condemned by well-meaning but somewhat thoughtless critics, yet by no possibility can competition in production and other service be abolished. Competition means no more and no less than that he who gives best service to others earns best service in exchange. So long as there is specialization in service—“division of labor,” as the economic books have it—there will be, indeed there must be, industrial competition.

What gives competition its bad name is not any defect in principle. The bad name is due to a popular confusion of competition with monopolistic enterprises. “One-sided competition,” as monopoly has been called, is a very different thing from free competition. When one competitor has a special privilege, others are at his mercy, and competition turns topsy turvy. But when competition is free, he who serves others best gets—and by natural law

—the best service in exchange. What fairer balance could be desired than that?

As already observed, the natural wage of the producer is his product, or the products of others which he gets in unobstructed trade for his own products or his own service. To the extent, however, that production is due exclusively to social solidarity or unity, the product is a social fund, and falls into the land-value category of distribution. This fund is the wages of society; the other fund is the aggregate of wages for individuals.

How much of the individual wages fund shall go to individuals is a secondary problem. According to Single Tax ideals the shares should be ascertained by free competition. The primary problem is how much of the whole product which falls into the land-value category should go to the community as compensation for its services as a community.

Regarding that problem the initial answer must assuredly be, "All of it." If the community as such earns it all, the community as a community should have it all.

But right here another question arises. If all production is from and upon land, what about a natural right of land owners to share in the product? Why does not rent naturally belong to them?

Think it over. Why should rent for land, simply as land, private improvements attached to land not included—why should such rent belong to land-owners?

If land were all the time plentiful and everywhere and in all circumstances equally desirable there could be no rent—no more than there is rent now for the oceans. It is only as some locations are for any reason more desirable than others that any share of production can fall into the distributive category called "rent."

The accepted explanation among political economists of half a century ago, related the natural phenomenon known as rent, to agricultural areas. It was argued that as producers are forced to lower and lower grades of fertility, the rent for higher grades rises. Rent was thus primarily a subtraction from agricultural earnings.

In that crude apprehension lay a universal principle, one which is coming now to be better understood and more exactly applied. Instead of regarding rent as merely an agricultural phenomenon, the fact is coming into recognition that rent is a phenomenon of all production. Instead of thinking of rent as the result of diminishing opportunities for production, it is coming to be recognized as a premium for unfolding opportunities. In truth it is the price for permission to control access to locations of any kind, the rate of rent depending upon the greater or less desirability of the location for which it is demanded and paid.

The term "rent" has been concisely formulated in several ways by economists; though probably never more concisely and accurately than by Max

Hirsch, in his book on *Democracy vs. Socialism*. His definition is in these words: "The rent for any piece of land is determined by the excess of its productivity over that of an equal area of the least productive land in use, after the sum of exertions which in both cases yield the most profitable result has been deducted."

Here are three considerations, namely: (1) The words "produce" and "productive" imply more than agricultural or mineral production. They allude to all kinds of satisfactions for human wants. Many of these lack the significance that "produce" or "productivity" may imply—proximity to markets, for instance, to places of amusement, to social and business centers, and so on. Consequently, the words "desirable" and "desirability" may carry the idea better than the words "productive" and "productivity." (2) Similarly of the word "profitable." To include residential as well as agricultural and commercial rent, the word "profitable" should be interpreted as meaning "desirable." And (3) deduction of "the sum of exertions which in both cases yield the most profitable result." This may seem obscure. It means that rent measures the excess in desirability of location over labor cost of satisfying desire.

Max Hirsch's definition of rent may, therefore, be translated into colloquial language about as follows: The rent for any piece of land depends upon its greater desirability than that of an equal area

of the least desirable land in use, after the cost of obtaining the most desirable results has been deducted.

Any intelligent reader, whether highly trained or not, can test that principle in his own neighborhood by comparing with one another the different market values of the land he sees about him—whether city land, village land, farming land, forest land, water fronts or mineral deposits. The more carefully he observes and calculates, the clearer will he see that rent for land is a surplus over the cost of using land. He will also see that this surplus differs with variations in the desirability of sites. Is it necessary to assure him that what he observes in his own neighborhood in that respect is a world-wide manifestation?

Where custom capitalizes rent, the subject—perfectly simple in itself—is apt to fall into confusion. That is especially so in countries like the United States, where the gross price of a site does not readily give an impression of rent at all, “price” and “rent” being different things. If for distinction we say “ground rent” another kind of confusion sets in, most people identifying “ground rent” as an agreed annual sum for tenancy of a particular bit of ground. But rent in the sense in which the Single Tax recognizes it, means the terms on which owners of natural resources permit their use.

However complex particular rent problems may be at any time or in any place, the nature of rent

is simple enough. Rent is the exaction from wealth which owners of land can command as a condition of its use.

The story of the rise of rent from no-rent land on a rich savannah to high rent land in a populous city on the same site was accurately as well as picturesquely told by Henry George in the long extract from *Progress and Poverty* which we have already quoted. To consider the subject of rent with any care is to note the all-important fact that it is an exaction by owners of land from users of land for permission to use it.

Are such exactions justified by natural law? Yes.

Rent exists whether the user of land is a working tenant or a working owner of the land on which it is produced. For illustration, if A is a wealth producer on land which he owns himself, and B is a wealth producer on equally desirable land which he rents from another, and each of them produces the same amount of wealth, then each will naturally retain the same share of wealth as compensation for his work. But inasmuch as A owns the land on which he contributes his work to the production of wealth, he keeps the whole product, part of it as compensation or wages for his work, part as rent for his land. Suppose that his production is 100, and the annual value of his land is 25, then his wages will be 75—total product less rent. But what about B? Since the land he rents is worth the same as A's, he must pay a landowner 25 as

rent for the privilege of producing there, and if he produces 100 he keeps 75 for his wages. As workers both A and B get the same compensation. As an owner of land A retains a portion of his product for the rent he might have got by leasing his land; as a non-landowner B pays another person the same portion as rent for permission to use the equally desirable land he leases. Why that rent? Because of differences in productive possibilities which different locations offer. A's and B's lands, though of equal desirability, are better, measured by the amount of rent, than land to be had for nothing.

There we have an illustration of the natural economic law which tends to equalize shares for equal work, and to regulate premiums for land according to the differences in desirability of varying locations. If B had produced 125 instead of 100, his rent would have been 50 instead of 25, provided the difference in production were due to superior location instead of superior work.

But what accounts for differences in the value of land? The causes are various. Differences in fertility count somewhat. Differences in richness of mineral deposits count likewise. But the great differences are distinctly social, precisely as they are illustrated by Henry George's story of the rise of rent for land in a great city built upon a fertile but rentless savannah. In other words, rent is due almost if not altogether to social influences. Even the fertility of the farm and the richness of the

mine count for nothing in the way of rent except as social causes of rent appear. A farm out of reach of social influences, or a mineral deposit too far away from civilization to make social delivery of its products possible, could command but little rent if any at all.

So, as it now manifests itself, rent is a social rather than a physical phenomenon. Of course physical conditions are at the bottom of it all, for there can be no rent, no wealth of any kind, without natural resources from and upon which to produce it; but it is the social factor that counts.

Does any reader ask whether the social factor does not account for all values—production values as well as land values? True enough, all exchange values are caused by human association. Nothing had any exchange value on Crusoe's island while Crusoe lived there alone. All his products and possessions did have utility, or what has been called "use-value," but none of them had exchange value.

The difference between land values and production values will be found in final analysis, to rest upon the fact that production values attach to products, which are essentially private property, whereas land values attach to natural resources, which are essentially social property. Therefore the fundamental justification of the Single Tax proposal to abolish taxation on the value of products and transfer it to the value of natural resources, is that products are naturally private

property, whereas natural resources are naturally common property.

As the production of wealth is in part individual and in part social, so also is its distribution. Annual land value represents a share of labor-produced wealth which flows naturally away from individual producers as compensation to the social factor in its production. Why not recognize it, then, as social wages?

That is what rent really is. Precisely as the shares of wealth technically termed "wages" are by natural law the shares or earnings of individual producers respectively, so in the last analysis and by natural law is "rent" the wages or share or earnings of the social whole in contradistinction to individuals.

In common speech, other elements in distribution than rent and wages are frequently mentioned. They include "wages" of "common laborers," "interest" on "capital," profits of business, and so on. Such sub-classifications are often mixed. "Profits," for instance, may in common speech allude to any kind of income, whether its source be wages or rent or both. Such confusions should be easily untangled. Other confusions, however, may not be untangled so easily. They may mix wealth and land, and call the mixture "capital." Yet land (natural resources) and wealth (artificial objects) are two different and distinct things. They cannot be mixed in speech without risking confusion of thought. Land is a primary term, meaning natural

resources. Capital is a secondary term, meaning that part of wealth which, instead of being consumed for the satisfaction of desire directly, is consumed in the production of more wealth. It is grain in the flouring mill, for illustration, instead of bread on the breakfast table.

Out of that use of wealth springs another subdivision—a sub-division of wages in the comprehensive sense of that term. If one owns capital which he uses productively or lends for use, his compensation is commonly called "interest." But as capital is that part of produced wealth which is used to produce more wealth, is it not in reality wages so used? Assuredly it is not rent nor a sub-division of rent.

Let no assumption be made, however, that any special virtue is attributed to the words "wealth," or "rent," or "interest," or "wages," or "labor," or other technical terms. The point is not that those words are sacred. It is that there must be distinct names to distinguish different things, and that when any name is used for one thing in economic thought it must not be used also for something different.

Much of the confusion in economic thought is due to double or triple uses of technical terms. For example, "land" and "real estate" are often used interchangeably. This cannot be done with safety in economic thought, for real estate comprehends improvements as well as natural resources. For another instance, "labor" is often used as if it meant only hired men's work in the "lowly" occupations.

Another is the use of "wages" as if salaries and service-profits and other earned incomes of high social grade were something else than "wages." All such habits or customs confuse the subject. Precision of economic thought demands that no substitute words be allowed to trespass upon the domain of technical terms.

The notion that interest is rent or a sub-division of rent, arises from the fact that all transactions regarding wealth are made in terms of money. Consequently interest is, in common speech, related to money loans exclusively. But interest exists irrespective of money and irrespective of loans. It is the share of wealth which compensates for use of existing wealth in promoting production of further wealth. In more exact terms, it is the "wages" of "capital."

In connection with lending, interest must be understood either as compensation for loans of products of labor or for loans of land. In the latter case it is neither wages nor interest, but rent. On the basis of that natural distinction the ideal of the Single Tax is to tax interest as a community-earned product if it is rent for land, and to exempt it from taxation if it is earnings of individual labor.

Summarizing those elements in distribution with reference to Single Tax ideals of a new social order, they seem to include various kinds. Among them are hired men's "wages"; also white-collar "salaries"; also business "profits." All those are pay for producing satisfactions for human wants. But all

incomes really melt into compensation for services or into exactions for the use of natural resources. Service is "labor," natural resources are "land." Out of conjunctions of "labor" and "land" come artificial products, which are "wealth." Out of "wealth" comes "capital," which is a collection of artificial objects devoted to the production of further artificial objects. In technical terms, then, all "wealth" is produced by human "labor" upon "land," and in its distribution go "wages" to workers, and "rent" to landowners. According to Single Tax ideals in their economic aspects "wages" would go to producers in proportion to the value in competition of their work; "rent" would go to communities in proportion to the values of the land within their jurisdiction.

The subject of wealth distribution must not be dismissed without consideration of the familiar practice of gambling in land values. One's thought might fly back to reports of land "booms" in various parts of the country. But gambling in land values is not confined to speculative "booms." It is a constant manifestation of the unwisdom of relieving owners of land from reasonable taxation upon its socially produced values.

By reference to what has preceded regarding natural laws of wealth distribution, the causes and evils of speculation in the values of land may be readily and exactly diagnosed.

Land value is that part of social value which attaches to land in terms of rent and price. It is

due to social progress. Without communities there can be no land value. With communities land values appear. With the growth and progress of communities land values increase. Not only with their growth in population, but also with their advances in prosperity.

That effect is so well known that increase of land values is anticipated by speculators from the fact of social growth and prosperity. Therefore land has two types of value.

One type of land value may be identified as normal value. This is the value which attaches to land on account of its opportunities for current production. A piece of land which, for illustration, will yield in wealth 100 a year at a labor cost of 75, is normally worth 25 a year in rent. By the usual method of computing selling price at "20 years' purchase," its selling price would be 500—twenty times its annual value. The normal value of that land would therefore be 25 a year as annual ground rent, or 500 as purchase price.

If in those circumstances the community were showing a tendency to decline in population or prosperity or both, the purchase price of that land would tend to fall off from 500, even though the annual rent remained at 25. For that difference the reason would be that although the land still yields its former annual rent, the probabilities of its continuing to do so are doubtful. In those circumstances the land market would be dull.

But suppose business in that region is increasingly

prosperous. Suppose the local population continues to grow. Suppose hired labor is in extra demand. What then would be the effect on the selling price of land in that community, even if annual rentals were the same as before?

Would not land yielding 25 a year in rent have a selling price of much more than twenty times that amount? Of course. Every realtor knows it. But why? Simply because it would be a fair guess that in those circumstances the land would soon yield a larger annual rent than 25. When there are prospects of a larger annual rent for land a speculative or gambling spirit is aroused, which swells the purchase price in anticipation of larger rent in the future. If expectations of increased rent are realized, gamblers in land values reap huge winnings; if they are not realized the boom bursts. That kind of gambling is one of the evil results of allowing land owners to appropriate land values as if they were private earnings.

But such speculative profits are not the only profits of land value monopoly which are socially demoralizing. To the extent that land values go into private pockets except as pay for service, the community is robbed of its own. Nor merely that. Temptations to hold land at excessive prices, thus obstructing its use, are provoked and stimulated.

In consequence vast areas of desirable farming and mineral lands are kept out of use by exorbitant prices for the privilege of using them; numberless valuable building lots in towns and cities are vacant

for the same reason; and buildings without number are unsuited to their locations.

The effect is to interfere with legitimate business, to check employment, to lessen compensation for useful services of all kinds, to enrich some landowners out of proportion to their services, and generally to obstruct social progress.

It inspires conflict, encourages luxurious idleness, compels devastating idleness, promotes legal piracy, discourages business enterprise, penalizes useful service, and lies at the base of all the defects of our present social order in its economic aspects.

To counteract those inevitable effects of leaving rent (the wages of society) to owners of land, instead of substituting land-value taxation for confiscatory taxes upon production, is the ideal of the Single Tax for a new social order in its economic aspects.

Nor is that ideal an empty hope. To exempt earned values and tax land values would leave to everyone his own earnings untaxed. It would require landowners to account to the public treasury for the values of their land, unearned by them but caused by the community. It would remove the causes of land speculation and put an end to gambling in that absolute necessity of human life. It would bring idle land into use, and encourage useful industry. It would lead to the ideal condition which in *Progress and Poverty* Henry George prophesied when he wrote:

“We shall remove the great cause of unnatural

inequality in the distribution of wealth and power; we shall abolish poverty; tame the ruthless passions of greed; dry up the springs of vice and misery; light in dark places the lamp of knowledge; give new vigor to invention and a fresh impulse to discovery; substitute political strength for political weakness and make tyranny and anarchy impossible."

4—*Exchange—Domestic and Foreign*

Without exchange of some forms of produced wealth for other forms, no great amount of wealth could be produced. To abolish exchange would involve abandonment of specialization in the production of wealth. It would throw every individual back upon himself alone for the production of what he wants; it would make of him a Robinson Crusoe. Of course there would still be opportunity to gather wild vegetables and wild fruit, to cultivate grain and hammer it with a stone into meal, to trap animals, to domesticate them and to consume their flesh and cure their skins. Each individual could go that far by himself. But he could go little farther without engaging in some productive specialty and trading his products for other products.

If two individuals can produce more than twice as much wealth by specializing their labor and exchanging its results than by working without exchange (which is a fact), three can produce more than three times, and a million vastly more than a

million times as much as one. The products of specialized production are multiplied not merely by the number of producers cooperating; they also increase in proportions more nearly approaching the geometrical than the arithmetical ratio.

For a crude illustration, if one person makes axes, another axe handles, and a third fits them together, will they not produce more than three times as many axes in a given time than they could produce if each made complete axes? And if one hundred thousand men divide work at axe making, some of them felling trees in forests, some digging ores in mines, some preparing wood in saw mills, some melting ore in smelters, some working in factories, some delivering results over railways and through wholesale and retail stores, would not the production be both vastly better and prodigiously multiplied?

Assuredly division of labor and exchange of products effect an enormous increase in production and improvement of product. It follows that to the extent that exchange is checked products are diminished; and from that it follows further that satisfaction of human wants is obstructed by obstructing exchange.

Abolish exchange, and savagery results; expand exchange and civilization flourishes—except as it may be checked by private monopolization of land values for which the community is not fully compensated.

So much granted, it follows—and experience

proves the truth of the inference—that division of labor depends for its continuance and effectiveness upon exchange, that is to say upon trade. Experience also proves that the more intense the specialization and the wider the circle of exchange or trade, the greater the aggregate and the better the quality of wealth production. Nor only the aggregate but also the amount and quality for individual producers.

The reason, probably, why any one questions the desirability of free exchange is not because it is prejudicial to the production of wealth, but because it is assumed to be prejudicial to fair distribution.

In that conclusion the error consists in attributing evils to untrammelled exchange which are rightly attributable to economic maladjustments that have their root in the custom of allowing natural resources to be monopolized by private interests without requiring periodical compensation. In other words, land ownership exempt from land-value taxation tends to produce evils which seem to be caused by the competition that free exchange permits.

But competition really causes no evils, provided it be untrammelled. It is the fair as well as the sole natural regulator of values in exchange. Without free competition monopolies disorganize industry and stifle trade.

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world." It was a good definition. Imagine an unselfish world; not a selfish world such as we are living in, but a thoroughly unselfish one. Suppose that in such a world a customer wished to buy goods at a store, and the storekeeper wished to sell. Both are unselfish. So the prospective buyer offers a high price instead of a low price, and the prospective seller dickers for a lower price instead of a higher one.

"I'll give you ten dollars," says the customer.

"Oh, that's too much," the storekeeper replies; "but I'll take six."

"Not at all," is the customer's response; "six is altogether too little, but I'll come down from ten to nine."

"No," answers the storekeeper; "nine dollars is too high for those goods. What do you say to seven?"

"Too low," the prospective buyer explains; "still too low, but how about compromising on eight?"

The storekeeper agrees to eight dollars as a compromise, and the bargain is made—in an unselfish world, mind you, in an *unselfish* world.

Now imagine a like transaction in a *selfish* world, such as ours. Would not the prospective buyer offer six dollars instead of ten? And would not the prospective seller, in refusing six propose ten—just the reverse on both sides of such a dicker in an unselfish world? Nor would the storekeeper suggest seven; he would reluctantly drop from ten to nine. Then the customer might propose seven, and

a compromise be effected at eight—precisely the same amount as the compromise in an unselfish world.

Thus selfish competition in freedom would seem to tend toward the same results as unselfish cooperation, which is doubtless what that clergyman meant when he characterized competition as "God's law of cooperation in a selfish world."

However true or mistaken the clergyman's apparent view of competition may have been, there is no mistaking the fact of competition in this selfish world of ours. It is a characteristic of exchange. The seller tries to get as much as he thinks he can, and the buyer to give as little as possible.

This conclusion does not mean that exchange is now a matter of petty dicker, as it was within the lifetime of men yet living. Nevertheless it still means that everybody naturally tries to buy and to sell to the best advantage for himself. If retail merchants have come to do the dickering in behalf of their customers instead of with their customers, competition continues none the less, quoting an old saying, to be "the life of trade."

And what is trade in the last analysis but exchange? Does it not consist essentially in the exchanging, the swapping, the trading of goods for goods?

Although it involves the use of a *medium* called money, that fact need not confuse thought. Money is only a medium—only a title to any kind of goods or service in the market. No trade, no exchange,

is complete until the money received or credited for the sale of some goods or services has been paid out for other goods or services. Money terms measure the varying values of goods; and in terms of money, titles to goods pass from hand to hand, or from ledger to ledger, through the markets of the world.

Much confusion in trade arises from a gross lack of money standardization. Consequently, as we have already explained, market prices often vary from actual values, with a result of making payments of debts greater or less in goods than what was borrowed. But the principles of exchange are not thereby altered. The fact remains that the bringing together by exchange of unfinished products of specialized industry, and thereby promoting their completion by delivery to consumers, is an absolute necessity of civilized production. Industrial specialization could not continue without trade.

Nor is there any difference between domestic trade and foreign except a difference in degree. The more extensive the field for unobstructed trade the greater the aggregate of production and the larger the shares of producers—provided the sharing be not distorted by monopolistic privileges.

Such privileges are developed by taxes on imports. These taxes favor such business interests of the nation imposing them as are able to overcharge their customers because foreign competition is lessened.

It is a mistake to suppose that import taxes are not added to the prices of domestic products which compete with foreign products upon which the tax falls. The price of the foreign products being increased to the amount of the import tax and profits on the tax, the competing domestic products can be and usually are increased to approximately the same extent.

Every product must sell for at least the cost of production, or its production will cease. Consequently must not an imported product sell for the cost of producing it plus the tax it must pay to enter the market to which it goes? Does it not follow, then, that the price of competing domestic products will rise approximately to the price of the imported ones? What is the inevitable inference but that as a tax on a foreign product falls directly upon the consumers if they buy it, so must the same amount approximately fall upon them if they buy the "protected" domestic product?

Nor is it an answer to say that wages are lower in exporting countries than in importing countries, and that this makes protective tariffs necessary to maintain a fair level in competition. Wherever in foreign countries wages are lower, *per capita* production also is lower.

The only counter point would be that domestic competition among protected producers would keep the price of protected domestic products down to cost of production. So such competition might

if domestic producers did not form "trusts" to control domestic markets. But they do.

Nor do protective tariffs protect monopolies merely by narrowing the boundaries of unobstructed exchange. Among other evils they sow the seeds of war. Exchanges are manifestations of natural social laws. The freer they are the more closely they conform to those laws, and consequently the better the results. Those laws do not recognize political boundary lines any more than the light and the heat of the sun do. Exchange is regulated naturally by the demand for, relatively to the supply of, exchangeable objects. This is a result of a manifest law of human nature which has been variously expressed but which may be formulated in some such commonplace terms as that everybody tries to satisfy his wants for the least money. Nobody will pay a dollar for anything which he knows he can buy as easily for a dime, or even for nine dimes plus a nickel and four pennies.

Money is a medium of exchange which frequently confuses thought with reference to the desirability of freedom in trading the products of industrial specialization. As already indicated, such trading is done only in slight degree with money pieces, but almost altogether in money terms. Money terms express the value of industrial products, and in terms of money the titles to them pass from hand to hand through the markets of the world. Much of the confusion arises from lack of money standardization. But the principles of ex-

change are unaltered thereby. It nevertheless remains true that the phase of the production of wealth which consists in bringing together through the various markets of the world the unfinished products of labor—using the term “labor” in the broadest sense—and promoting their completion by delivering them to consumers according to demands for their consumption, is absolutely necessary to civilized production. To attempt to regulate these exchanges arbitrarily, instead of leaving them to the natural laws which regulate supply by demand and demand by desirability, would be to throw the whole world into economic confusion. To do so to any extent by obstructing either exports or imports is, as the practice has proved, to cause economic confusion to that extent.

The history of the original States of the American Union should afford a lesson to every student of importation problems. Before our Union was formed, freedom of exchange between the States was obstructed by tariffs such as now obstruct trade between the United States and foreign countries. This practice was abolished when our group of States became the United States under a Constitution that forbids interference with trade across State lines. The beneficial effects of that constitutional provision have been such that no attempt to interfere with freedom of inter-State trade would now be tolerated in the United States.

Yet the United States as a nation continues the mediaeval policy of the nations of Europe in pre-

venting free exchanges between the specialized wealth producers of this national community and those of other nations.

To that policy the Single Tax is opposed in principle. As the only effective substitute it advocates concentration of taxes upon land according to its value, and abolition of all taxes upon wealth production. In its abolition of taxes upon wealth production the Single Tax would include all taxes, whether for public revenue or for trade obstruction.

II—SOCIAL ASPECTS

The social aspects of human society are involved in the economic aspects. As already indicated, they are dependent for rational development upon the fundamental principle that the value of land is a social and not an individual asset. How recognition of that principle would affect the various relationships of individual and social life may now be briefly outlined with reference to individual and social responsibility relatively to the home and the family, to education, and to arts and culture.

1—Individual and Society

The Single Tax ideal of a new social order recognizes the individual and human society as two distinct yet associated factors in social life. Society is naturally composed of individuals. It is so composed in such manner as to give definite identity to each individual, and a common identity to all individuals combined as a solidarity or social unit.

That characteristic of the Single Tax ideal has been already illustrated in these pages by contrasting the social solidarity principle of socialism with the individuality principle of philosophical anarchism or individualism. To the former, society is the prime factor; to the latter the prime factor is the individual; to the Single Tax concept the two factors, though cooperative, are distinct.

That is to say, the Single Tax ideal regards the individual as entitled to absolute freedom insofar as he does not interfere with the like freedom of other individuals or the functions of society as a social whole; whereas it regards the social whole as chargeable with functions of its own which—through its agent, government—it is bound to exercise without interfering with individual rights or dissipating societary rights.

2—Home and Family Relations

In Single Tax thought the family group is a very type, in the small, of society in the large.

The helpless child of the family, protected by its parents, typifies the unfortunate men and women of society who must be protected by the strong arm of government from oppression by social out-laws.

The older children of the family are guided onward by the family to maturity, even as individuals in society may be guided by governmental institutions of an educational type.

The mature women and the men of a rational

family group live in freedom as to their distinctly individual concerns, and in family solidarity as to the concerns of the family as a whole.

Harmonious individuality in social solidarity, as in the family group, is a Single Tax ideal to be produced through development of a recognition of the essential difference between individual rights and societary obligations.

3—Education—Child and Adult

The obligation of society through governmental institutions to provide for, and whenever necessary to enforce, free education of children out of the proceeds of taxation of land values to the exemption of production values, is a phase of the Single Tax ideal.

It recognizes also an equal obligation to afford and to promote, out of the same revenue source, free opportunities for adult education—education in business, in the arts, in literature and the like, up to the educational limits of the times.

4—Arts and Culture

Not alone by considerations of food and raiment and shelter are Single Tax ideals limited.

Nor are they confined to recognition of land values as social earnings in contradistinction to individual earnings, and therefore as the sole legitimate source of social income and governmental support. Those are beginnings, not the goal of the Single Tax ideal of a new social order.

5—*Social Results*

With those beginnings once fairly made, however timidly, the Single Tax readjustment contemplates the natural development of such a state of society as Henry George briefly described when he wrote these lines in *Progress and Poverty*:

“To remove want and the fear of want, to give to all classes leisure, and comfort, and independence, the decencies and refinements of life, the opportunities of mental and moral development, would be like turning water into a desert. The sterile waste would clothe itself with verdure, and the barren places where life seemed banned would ere long be dappled with the shade of trees and musical with the song of birds. Talents now hidden, virtues unsuspected, would come forth to make human life richer, fuller, happier, nobler. For in these round men who are stuck into three-cornered holes, and three-cornered men who are jammed into round holes; in these men who are wasting their energies in the scramble to be rich; in these who in factories are turned into machines, or are chained by necessity to bench or plow; in these children who are growing up in squalor, and vice, and ignorance, are powers of the highest order, talents the most splendid. They need but the opportunity to bring them forth.

“Consider the possibilities of a state of society that gave that opportunity to all. Let imagination fill out the picture; its colors grow too bright for words to paint. Consider the moral elevation, the

intellectual activity, the social life. Consider how by a thousand actions and interactions the members of every community are linked together, and how in the present condition of things even the fortunate few who stand upon the apex of the social pyramid must suffer, though they know it not, from the want, ignorance, and degradation that are underneath. Consider these things and then say whether the change I propose would not be for the benefit of every one—even the greatest land holder? Would he not be safer of the future of his children in leaving them penniless in such a state of society than in leaving them the largest fortune in this? Did such a state of society anywhere exist, would he not buy entrance to it cheaply by giving up all his possessions?"

CHAPTER V

THE SINGLE TAX METHOD AND PROGRAM

I—METHOD

EVERY method of substituting social order for social disorder must have a beginning, and the Single Tax is no exception. The beginning it proposes is at the beginning and not at the far end.

While recognizing the essential principle of equality of rights to natural resources, the Single Tax does not propose any turning over of land to governmental management. This statement, frequently made in these pages, is repeated here because misrepresentation or misunderstanding on that point is common. What the Single Tax does propose, as its ultimate, is to take by taxation into the common treasuries of organized society approximately the entire annual *value* of natural resources, and to leave to occupants and users the entire value of all their earnings.

If, for illustration, a private profit-making corporation owns a mineral deposit and artificial fixtures for using it, the Single Tax when in full operation would exact of that corporation for public use the annual value approximately of the natural

mineral deposit; but would leave to the corporation untaxed, the full value of its artificial fixtures and of the minerals it actually produces.

For still another illustration, if a farmer owning an agricultural acreage has improved its fertility, owns buildings thereon and raises crops, the Single Tax in full development would exact of him the annual value of the acreage as if it were in its natural condition, but exempt him from all taxation upon his improvements and his crops. Let any farmer make an estimate of the unimproved value of the natural location he owns and compare it with the value of his improvements of soil, his structures and his annual produce; he will readily see how much greater are the taxes he now pays than the taxes he would pay if the Single Tax policy were adopted and in full operation.

Still another kind of illustration of the Single Tax in full operation may be offered. It is that of the owner of a town or city residence. The value of the lot depends almost entirely upon the fact that it is part of the site of a social center. Under the Single Tax fully applied, the owner would be taxed to the amount of the annual value of the lot as a building site. He would be wholly exempt from taxation upon his earnings, upon the building he has placed or intends to place on the lot, and upon everything in his building.

Although those illustrations explain the Single Tax climax, they do not explain the practical beginning of the Single Tax policy. The beginning

of that policy is to abolish gradually, though as rapidly as possible, every kind of taxation except taxation of land values. Only a part of land values would at first be taxed more than now, and only a corresponding part of product values would be exempt.

That beginning once made, nothing more would need be done to attain the Single Tax climax than to extend the same policy up to the point at which approximately all public revenues would be drawn from land values. This point reached, all privately-earned values would be exempt from taxation and approximately all publicly-earned values would be appropriated to public use.

The vital characteristics of that fiscal policy are not only its efficiency in securing equality of rights to the value of natural resources. Quite irrespective of its favorable influence upon the fundamentals of social order, it is ideal simply as a method of taxation.

According to Single Tax principles there must be governmental control of common affairs. Few persons outside of individualistic cults will deny that necessity; and the necessity conceded, there must by natural law be taxation of some kind for the support of government. The ideal kind is that of the Single Tax.

Right here, however, we meet the criticism that there is no natural law of taxation. In response it should be enough to quote the reply of Thomas G. Shearman, at the time a leader at the New York Bar

and a supporter of Henry George's scientific fiscal policy.

"Is it true," Mr. Shearman asked in his *Natural Taxation*, "that there is and can be no science of taxation? If it is, then Nature can have nothing to say about government, and all talk of the science of government is folly. For government implies taxation, as truly as the existence of animated nature implies food. Taxation is the indispensable condition of all government. Taxes are the food upon which it lives. Without taxes it must die. . . . How can we learn the teachings of Nature upon this subject? How does Nature teach us anything? Is it not by the stern pressure of necessity, driving us forward, while every path, except the right one, is hedged up with difficulties and penalties? Nature tells us nothing, in plain words, but while, on the one hand, she makes it impossible for us to stand still, she walls up, on the other hand, the door to every wrong path. It is an invisible wall, against which we blindly dash ourselves, again and again, until at last we learn the lesson and grope our way to the only open door. Even so, Nature shuts the door in our faces, as we try one method of taxation after another; until at last we stumble upon a path, the door of which is wide open, and which is not obstructed by insuperable obstacles. Then, it may be, we shall find not only that the method of taxation thus indicated is the easiest and best one, but also that Nature has all along collected taxes by this method, while we have wasted our

efforts in double taxation, to the vast injury of the whole human race."

What, then, should be the characteristics of taxation?

From the Single Tax point of view taxation should be ethical, that is to say, honest. To be honest it must be in proportion not to ability to pay, not to the earnings of the taxpayer, but to financial benefits derived by him through special privileges protected by the community.

Now the great special privilege, the only one of any financial importance, which individuals derive from the community, is the privilege of privately possessing natural resources—land. Other special privileges may flourish. Upon investigation, however, they will be found to consist either of temporary privileges like patents on inventions granted in exchange for explaining the inventions and offering them to the public on reasonable terms, or of masked privileges like corporation stocks and bonds which in effect are largely titles to or mortgages upon natural resources.

Some privileges are trifling in value. An example is the land of the small farmer. His improvements are the really valuable feature of his farm, not his title to the land. To tax his land value, therefore, and to untax his improvements and products, would be to relieve him greatly of the tax burdens he now bears. That observation is true also of the modest home-owner. But many other landed privileges are enormous in value. Among them are rich

mineral deposits, railroad rights of way and terminals, building sites in business centers, residential sites in cities, water fronts at commercial points.

If the aggregate values of all natural resources were estimated upon a market basis instead of the low tax-assessment basis from which valuations are now taken, it would probably be a modest estimate to put them at double the value of improvements. And beyond that huge amount relatively to improvements, the fact must be considered that as improvements decay, improvement values tend to decrease, whereas land values (without any expense of upkeep) tend to increase. In this connection let it be remembered that the life of a building, counting taxes and cost of repairs, is hardly fifty years, and that the fertility of agricultural soil must be constantly maintained.

Surely, then, it is no exaggeration to say that the great special privilege, the only one of permanency and constant growth in value, which individuals derive from the community, is the privilege of monopolizing land. That privilege is, as we have already shown, a necessity of social order, but it must be periodically paid for.

By what method, then, shall the social order be adapted to private ownership of land without defying both individual and social rights? Evidently by *continuing* private ownership of land while *un-taxing its use* and *taxing its value*.

On that point the late C. B. Fillebrown, a prominent business man of Boston, and a leading sup-

porter of the Single Tax in its fiscal aspects and in its effect upon business, wrote as follows in his *A B C of Taxation*:

"Land value being a social creation, and rent being socially maintained, equal access to the rights and privileges pertaining to the land can be promoted by the taxation of ground rent alone, and by this means only. Ground rent, the natural tax feeder, extracts from the user of land the exact measure of his advantage over other men in his exclusive enjoyment of rights and privileges pertaining to his own location, and the whole tendency of the taxation of ground rent is to equalize participation in these common rights and privileges, by commuting into dollars and cents, which can be divided, those indivisible advantages of location, which can only be enjoyed individually. . . . Ground rent being a social product, is not its private appropriation a special privilege?"

To tax ground rent exclusively and production not at all, is the Single Tax method of reforming our defective social order.

What it is expected to accomplish was authoritatively stated by Henry George in the platform of 1890 already referred to, which he wrote for the first Single Tax Conference and which the Conference adopted. That platform outlined Single Tax expectations. The Single Tax would "(1) Take the weight of taxation off of the agricultural districts where land has little or no value irrespective of improvements, and put it on towns and cities

where bare land rises to a value of millions of dollars per acre. (2) Dispense with a multiplicity of taxes and a horde of tax-gatherers, simplify government and greatly reduce its cost. (3) Do away with the fraud, corruption and gross inequality inseparable from our present methods of taxation, which allow the rich to escape while they grind the poor. Land cannot be hid or carried off, and its value can be ascertained with greater ease and certainty than any other. (4) Give us with all the world as perfect freedom of trade as now exists between the States of our Union, thus enabling our people to share, through free exchanges, in all the advantages which nature has given to other countries, or which the peculiar skill of other peoples has enabled them to attain. It would destroy the trusts, monopolies and corruptions which are the outgrowths of the tariff. It would do away with the fines and penalties now levied on anyone who improves a farm, erects a house, builds a machine, or in any way adds to the general stock of wealth. It would leave everyone free to apply labor or expend capital in production or exchange without fine or restriction, and would leave to each the full product of his exertion. (5) It would on the other hand, by taking for public use that value which attaches to land by reason of the growth and improvement of the community, make the holding of land unprofitable to the mere owner, and profitable only to the user. It would thus make it impossible for speculators and monopolists to hold

natural opportunities unused or only half used, and would throw open to labor the illimitable field of employment which the earth offers to man. It would thus solve the labor problem, do away with involuntary poverty, raise wages in all occupations to the full earnings of labor, make over-production impossible until all human wants are satisfied, render labor-saving inventions a blessing to all, and cause such an enormous production and such an equitable distribution of wealth as would give to all comfort, leisure and participation in the advantages of an advancing civilization."

II—PROGRAM

Since any method of realizing any objective must have a beginning, to insist upon reaching an important objective at once is to insist upon not reaching it at all. There must be a progressive program.

The Single Tax program for realizing its objective—full taxation of land values and total exemption of product values—begins with gradual shiftings of taxation whenever and wherever opportunity offers, from the individually earned values of produced wealth to the socially earned values which attach to land.

That program was outlined by Henry George. His ultimate object as expressed in *Progress and Poverty* was not "merely to place all taxes upon the value of land." He thought it would be "necessary, where rent exceeds the present governmental

revenues, commensurately to increase the amount demanded in taxation, and to continue this increase as society progresses and rent advances." But he regarded that as "so natural and easy a matter, that it may be considered as involved, or at least understood, in the proposition to put all taxes on the value of land," which, as he wrote in the same connection, "is the first step upon which the practical struggle must be made."

Nor by that pronouncement did he mean that the first step must be a struggle to transfer all taxes from product values to land values at once. This is evident not only from his general declarations but also from his specific advocacy of the progressive abolition of tariffs on imports.

He was an emphatic advocate in Protection or Free Trade of what has been called a "step by step" program. "The advocates of a great principle," he wrote in that book, "should know no thought of compromise. They should proclaim it in its fullness, and point to its complete attainment as their goal. But the zeal of the propagandist needs to be supplemented by the skill of the politician. While the one need not fear to arouse opposition, the other should seek to minimize resistance. The political art, like the military art, consists in massing the greatest force against the point of least resistance; and, to bring a principle most quickly and effectively into practical politics, the measure which presents it should be so moderate as (while involving the principle) to secure the largest sup-

port and excite the least resistance. For whether the first step be long or short is of little consequence. When a start is once made in a right direction, progress is a mere matter of keeping on."

That program rests upon the authority not only of the founder of the Single Tax, but also upon the only organized expression of Single Tax principles and policies which could by any possibility be characterized as authoritative. The allusion here is to the Single Tax platform as drafted by Henry George and adopted by the Single Tax Conference of 1890 at New York City, re-adopted by the conference of 1893 at Chicago, and subsequently confirmed by succeeding Single Tax conferences. An extensive quotation from that platform has already been made. Its formulation of principle and policy is as follows:

"No one should be permitted to hold natural opportunities without a fair return to all for any special privilege thus accorded to him, and that value which the growth and improvement of the community attach to land should be taken for the use of the community.

"We hold that each man is entitled to all that his labor produces. Therefore no tax should be levied on the products of labor.

"To carry out these principles we are in favor of raising all public revenues for national, State, county and municipal purposes, by a Single Tax upon land values, irrespective of improvements,

and of the abolition of all forms of direct and indirect taxation.

“Since in all our States we now levy some tax on the value of land, the Single Tax can be instituted by the simple and easy way of abolishing, one after another, all other taxes now levied, and commensurately increasing the tax on land values, until we draw upon that one source for all expenses of government, the revenue being divided between local governments, State governments, and the general government, as the revenue from direct taxes is now divided between the local and State governments; or, a direct assessment being made by the general government upon the States and paid by them from revenues collected in this manner.

“The Single Tax we propose is not a tax on land, and therefore would not fall on the use of land and become a tax on labor.

“It is a tax, not on land, but on the value of land. Thus it would not fall on all land, but only on valuable land, and on that not in proportion to the use made of it, but in proportion to its value—the premium which the user of land must pay to the owner, either in purchase money or rent, for permission to use valuable land. It would thus be a tax not on the use or improvement of land, but on the ownership of land, taking what would otherwise go to the owner as owner, and not as user.

“In assessments made under the Single Tax all values created by individual use or improvement would be excluded, and the only value taken into

consideration would be the value attaching to the bare land by reason of neighborhood, etc., to be determined by impartial periodical assessments. Thus the farmer would have no more taxes to pay than the speculator who held a similar piece of land idle, and the man who on a city lot erected a valuable building would be taxed no more than the man who held a similar lot vacant.

"The Single Tax, in short, would call upon men to contribute to the public revenues, not in proportion to what they produce or accumulate, but in proportion to the value of the natural opportunities they hold. It would compel them to pay just as much for holding land idle as for putting it to its fullest use."

In harmony with that principle is the declaration of the Third International Conference to Promote the Taxation of Land Values and Free Trade. This Conference, held at Copenhagen, Denmark, in July, 1926, and presided over by Charles O'Connor Hennessy of New York City, declared that "the land of every country is, by right, the common property of the people," and that its value, "due to the presence and activity of the community, should, by concentrating taxation upon land values, be taken for public purposes in the place of the taxes that now so grievously burden industry and interfere with the natural rights of man."

So it may be seen that the Single Tax program, its ultimate objective being approximately full taxation of land values and complete exemption of

produced wealth, begins with any kind of exemption of produced wealth, however slight the exemption may be; and the concurrent increase to that extent of taxation of land values. From this starting point onward the Single Tax program leads to any and every further exemption from taxes on produced wealth, to the corresponding increase of taxes on land values.

The fairness of that program was impressively illustrated by Professor Harry Gunnison Brown of the Missouri University when he explained the billions of dollars of land value in New York City.

"New York," he said, "is situated on a great natural harbor. If there were none to use it except a few pioneer farmers on Manhattan Island trading some of their surplus produce for the textiles and other goods of Europe, landing space for a very few boats or perhaps for a single one would be all that would be needed.

"But as the rich interior of the North American continent was settled, with its mines of iron ore, copper and coal, its prairie and river-bottom wheat and corn lands, and its other resources, more and more goods were produced to be poured through the port of New York into foreign countries and more and more foreign goods were wanted in exchange which could most advantageously pass through the same port. To-day there is needed in New York City a large population to meet the requirements of this great *Hinterland* (as the Germans would say) or tributary country.

"If all the present working population of New York were whisked away over night, the land of New York would still have great value because of the need for millions of men and women on it to serve the commerce of the back country. A new population would move in and take up the important work for the rest of us which can be done nowhere else so well; and those who own that part of the earth's surface would be in a position to make this new population pay handsomely for the privilege of working for us and of living where we need to have them live in order that this work may be effectively done. The demand of the tributary country for this service makes a demand for the use of the land by the people who must live and work there to render the service. Incidentally, too, it makes a tremendous demand—and correspondingly high rents and values for the use of especially well-situated lots for the location of department stores, lunch rooms, banks, lawyers' offices, etc., necessary to supply near-at-hand the requirements of those who live there to serve the non-seacoast sections.

"Surely, the rent of land is in a very peculiar sense socially produced rather than individually earned, and ought to be sharply distinguished in thought from interest on capital produced by individuals."

That description of New York City is a perfect illustration. It shows the development of those social land values upon which the Single Tax would

levy taxation instead of continuing to levy upon buildings, personal property, incomes, trade, business enterprise, and other productive interests.

Nor does it illustrate for New Yorkers only. It illustrates also, in varying degree, for every city, town and village, and every mineral location, and every farm region in the world.

So prominent a teacher of modern economics as Professor Irving Fisher of Yale University may be quoted as having in a formal speech at a public dinner in New York City, made this declaration:

“Premising that so important a change should not be made abruptly, I favor the gradual reduction, so far as possible, of the tax burden on industry and labor, and taking instead the economic rent of the bare land. I am, however, opposed to the ‘single tax’ in the sense that land value should be the sole source of public revenue.”

Professor Fisher’s reservation is anticipatory. No one can foresee the course to take when the issue of abandoning *all* sources of public revenue except upon land value arises.

The founder of the Single Tax, Henry George himself, conceded the possibility of other taxes than land value taxes. He agreed that other than land value taxes might be useful for regulatory purposes. For instance, a light compensatory tax or fee for registering automobiles might be admissible for keeping track of them. That would not be a revenue tax. Neither would reasonable postage rates. Nor would compensation for public service accord-

ing to its special value to the individual served. The essence of this matter is as to whether the tax is confiscatory or compensatory. Taxes on earnings are confiscatory; taxes on land value are not; and fees for special service, like automobile registration, postage rates, railway rates, etc., etc., may not be.

For revenue taxation, however, it is difficult to see how any taxes but those on land values could be honestly perpetuated unless they fell upon other special privileges instead of falling upon industrial rights.

In that connection a point has sometimes been made to the effect that we have no right to assume that the Single Tax would yield enough revenue to justify abolition of all other taxes. In reply, what right has anyone to assume that it would yield too little? The objection that it might yield too little, would be pertinent enough if the proposal to abolish all but land value taxes were the practical issue now. It cannot be pertinent while we are merely advancing cautiously in that direction. By the time that ultimate of the Single Tax is reached as a practical political issue we shall know much more about the tax-yielding possibilities of land values, about the tax-raising necessities of government, and about many other fiscal possibilities than we can know while socially earned values are largely exempt from taxation and individually earned values are, at great expense, subjected to taxation. Meanwhile Henry George's guess that

the taxes on land values will have to be increased beyond the present needs for government in order to prevent a surplus of land values from going to idlers as individual property, is quite as likely to be true as the guess that land values will be insufficient. And let it be remembered in this connection that such fiscal exactions as taxes on inheritances and incomes would have no excuse for advocacy by honest citizens when the land-value elements of huge inheritances and enormous unearned incomes had been swept away by the Single Tax.

All that, however, is a question for the future as a practical issue. The present practical issue is whether we shall continue all our taxes upon industry, or transfer some of them to land values. The rest, to repeat Henry George's observation, "is a mere matter of keeping on"—a practical question for the future, and not for us while we are still in the fiscal fog that now envelopes us.

The Single Tax program begins, as already stated, with gradual shiftings of taxation from individual earnings to social earnings—from individual wealth producers to the monopolizers of those social values which are commonly known as land values.

That progressive program which the founder of the Single Tax offered for vitalizing the Single Tax method of social readjustment has been adopted in practice locally to some extent and with as favorable results as could be hoped for from beginnings so timid.

A survey of those accomplishments was presented

in a paper by Frederick C. Leubuscher to the Single Tax Conference of 1926 at Copenhagen. Reviewing local adaptations of fiscal policies to Single Tax principles that paper described what is known as "the Pittsburgh Plan," as having two outstanding features: "(1) The entire tax revenue for municipal purposes is derived from taxes on real estate. There are no taxes levied by the city government on any other form of property or on incomes; (2) the municipal tax rate on buildings is fixed at one-half of the tax rate on land." Continuing, the same paper explained that in Pittsburgh "there have been five triennial reductions of the rate of the tax on buildings, so that now it has reached the legal limit by being only half of the rate on land values. True, the rate on buildings has actually increased, for it was 89c. per \$100 in 1913 and is 97c. per \$100 now. But while the rate on land values in 1913 was the same as on buildings, 89c., it is now more than double, \$1.95. Land thus pays about \$10 per thousand more than buildings. There is ample room for the extension of the law, for buildings are still taxed at the full rate, in Pittsburgh, for other than municipal purposes. The municipal revenue is only 15 millions, while the school district and the county of Allegheny in which the city is located, raise 17½ millions by taxing buildings and land at the same rate."*

*For a further authoritative statement of the Pittsburgh Plan see *The Science and Practice of Urban Land Valuation*, by Walter W. Pollock and Karl W. H. Scholz, Philadelphia, Manufacturers' Appraisal Co., 4021 Walnut St., page 242.

Other signs of practical progress toward the Single Tax ideal in the United States were briefly alluded to in the Lebuscher paper, one being the fact that in Portland, Oregon, and in Houston, Texas, two-thirds of the local revenue are derived from land values; and another that assessment figures for San Diego, California, in the 1919 assessment, were for personal property \$9,000,000 for buildings \$6,000,000, and for land values \$72,000,000.

Other California tendencies in the direction of the Single Tax are significant. E. P. E. Troy, long a promoter of the Single Tax in that State, tells of a discovery and acknowledgment by the Santa Fé Railroad Company of the influence of a Single Tax experiment for promoting local prosperity. It appears that 280 miles of that railway through the San Joaquin Valley exhibit a "continuous garden of cotton, oranges, figs, peaches, olives, grapes, almonds, alfalfa dairies and numberless other farm products." The credit for this transformation of that valley within "17 years, from an almost desolate waste of exhausted grain farms to one of the most beautiful regions of the world," is given by the Santa Fé Company in a pamphlet issued by its colonization department, in these terms: "Another progressive step is taken, also, in the matter of taxation, for, while heretofore the irrigation districts have taxed improvements, the prevailing practice now is to tax land values only."

From Mr. Troy's explanation it appears that "in

1909 the legislature of California passed the act permitting the five old irrigation districts, and compelling all new districts, to collect all assessments by a tax levied solely on land values;" that the "fifteen other districts had failed, leaving less than 500,000 acres in the five remaining ones, with probably not over 50,000 acres in fruits;" that "to-day, 17 years later, there are over 100 irrigation districts in California organized under this Single Tax law, the total area of which exceeds 4,000,000 acres;" and that "all of this land is rapidly being brought to the highest state of cultivation, as each district taxes its land according to value, without regard to the character of its improvements or whether improved or unimproved."

In his comments Mr. Troy observes that "irrigation never would have been the success in California that it is to-day without the exemption of improvements and personal property from the irrigation tax;" and that "the limiting of the irrigation tax solely to land value removed from the backs of the progressive farmers of the districts the heavy tax burden imposed upon them whenever they planted a tree or built a house."

Other significant applications of the Single Tax principle of raising public revenues from land values and exempting product values, may be studied at Fairhope, Alabama, where the policy has been in operation for about thirty years as fully as the fiscal laws of State and nation permit.

A more conventional adaptation may be found

in Sydney, Australia, a city which by law exempts all buildings from local taxation.

Particularly striking is the example of Single Tax advance in the capital city of the Australian Commonwealth, Canberra, which corresponds to our Washington in the District of Columbia. The area of Canberra is owned by the Australian federal government, and sites are rented for long terms but with frequent readjustment of rentals.

Another example is afforded by New Zealand, where many municipalities, including large cities, have adopted fiscal policies in harmony with the Single Tax program.

In Denmark a movement among farmers is effectively though gradually transferring the burdens of taxation from production values to land values. Since 1916 official records in that country have distinguished the land value of every holding separately from improvement values, whether in town or country. This policy of recording land values separately is to be pursued every fifth year. In 1924 a slight national tax on land values apart from improvements, was accompanied with corresponding reductions in taxes on buildings. That Single Tax tendency has since been extended by increasing land value taxes, and to that extent exempting improvements. The growing popularity of this policy among the farmers and other wealth producers of Denmark testifies to the advancing tendency in that country of the Single Tax method and program.

It should not be necessary again to repeat, yet it may be well in order to avert misapprehension, that the Single Tax does not contemplate governmental ownership of land.

In program as well as method this social reform rests upon the manifest moral and economic principle that land is a provision of Nature, not for any individual or any generation or succession of generations exclusively, but for all mankind. In religious terms it is a gift of God—"the earth hath he given to the children of men."

Nor can this common gift be any more justly government property than private property. To make it government property would be to justify its sale by governments; for property ownership involves a right to transfer titles. Let it be understood then that within the meaning of the Single Tax, land cannot be the absolute property of anyone—neither of individuals nor of governments.

Yet land must be controlled for use, and how can that necessity be reconciled with the principle that it must not be owned?

Within the meaning of the Single Tax, the answer is that except as government needs land for common use—public parks, natural sources of power, sites for public buildings, and the like—land should be managed by individuals as if it were their property.

Then arises the question: How can land be privately managed as if it were private property, without creating monopolization of land?

Henry George solved that problem when in *Progress and Poverty* he proposed to "assert the common right to land by taking rent for public uses."

"Nor to take rent for public uses," he wrote, "is it necessary that the State should bother with the letting of lands, and assume the chances of the favoritism, collusion, and corruption this might involve. It is not necessary that any new machinery should be created. The machinery already exists. Instead of extending it, all we have to do is to simplify and reduce it. By leaving to land owners a percentage of rent which would probably be much less than the cost and loss involved in attempting to rent lands through State agency, and by making use of this existing machinery, we may, without jar or shock, assert the common right to land by taking rent for public uses. We already take some rent in taxation. We have only to make some changes in our modes of taxation to take it all."

So the program as well as the method which the Single Tax offers as the fundamental remedy for the defects of our present social order, a remedy which would, as its founder phrased it, "raise wages, increase the earnings of capital, extirpate pauperism, abolish poverty, give remunerative employment to whoever wishes it, afford free scope to human powers, lessen crime, elevate morals, and taste, and intelligence, purify government, and carry civilization to yet nobler heights," is "to abolish all taxation save that upon land value."

CHAPTER VI

SUMMARY AND CONCLUSION

LET us summarize the foregoing chapters in so far as they answer the question. What is the Single Tax?

By the Single Tax is meant a progressive process of deriving public revenue from the values of land instead of deriving them, as they are now so largely derived, from the values of production.

Should that progressive process be continued to its limits, property produced by business enterprise, or human industry of any kind from highest to lowest, from greatest to least, would not be subject to confiscation for public use by taxation or otherwise. Instead of such confiscation government would derive its revenues from annual taxes upon the monopolized areas of the earth within its jurisdiction, whether city areas, mineral areas, agricultural areas, timber areas, water front areas, or areas made valuable by other considerations, either business or residential.

Though privately owned and managed natural resources would pay into the public treasury the annual values which they derive, not from the industry of the owners but from the community, as a whole—a value which varies with differences

in natural quality but vastly more with difference in location. A few feet of rock in New York City, for instance, is worth vastly more than thousands of fertile acres at an inconvenient distance from business or other social centers.

If this Single Tax change in fiscal methods were completely made, it is easy to see how great the beneficial effects would be. For one thing, everybody would have to earn his own income. None of the community earnings would flow into his pocket unearned by him. For another thing, since the values of land would be taken over in taxation by the community that causes them, leaving the land owner no more than enough to compensate him fairly for gathering the tax fund he delivers land would have no speculative value. Consequently the cost of acquiring possession of a home site, a farm site, or a business site, would be within reasonable limits, instead of being blown up like a balloon by speculative gambling in future land values.

But great as are the reasonable expectations of the social benefits of complete realization of the Single Tax ideal, our present task must not be lost in an idle dream of the future. It is for us of to-day to set in motion the policy that leads to that ideal and without which the ideal can never be attained.

This task in itself will not only open the way to future advances but even in itself should accomplish in a degree the benefits of its objective. It

consists in inducing the genuine democracy of this and all other countries to begin the process of untaxing private earnings and taxing public earnings instead; of abolishing some of our confiscatory taxation on labor-produced wealth, and to that extent substituting an equivalent tax upon land values.

Pittsburgh and Scranton are doing this by taxing values of real estate improvements only half as much as the value of land. California is doing it with reference to irrigation projects. Some of the Provinces of Canada are doing it. It is done quite extensively in Australia and New Zealand. Denmark has begun to do it. New York City has gone so far as to distinguish the privately earned values of buildings from the publicly produced values of building sites. So with many other communities. All such reforms are practical steps along the Single Tax highway and toward its goal of substituting for confiscatory taxes upon values privately produced, a Single Tax upon values caused by the community but privately appropriated by the owners of land.

As the founder of the Single Tax said, when the first steps in shifting taxation from the values of earnings to the values of land are taken, the rest "is a mere matter of keeping on."

The aggregate value of the privilege of owning land grows with advances in productive methods. As population increases in volume, and specializa-

tion in producing wealth multiplies individual powers, the demand for land from and upon which to produce and live rises like the tides of the sea.

With the rise in that demand the exchange value of the privilege of owning land expands. That is to say, the share in current wealth production which land owners can exact for permitting the use of their peculiar property, increases. The increase is both proportionate and in volume. Nor is that the whole story. Over and above the normal value of land at any time in consequence of the volume of production at that time, a speculative value develops. Expectation of larger future production provokes the gambling spirit. In consequence, land values rise not only to the normal level but to speculative levels. This speculative tendency is inevitable so long as the value of the privilege of owning land goes to its owners instead of going to the community. The earnings of producers are thereby swallowed up or headed off. Unless a change comes a social collapse is inevitable.

"What change may come," as Henry George phrased the problem, "no mortal man can tell, but that some great change *must* come, thoughtful men begin to feel. The civilized world is trembling on the verge of a great movement. Either it must be a leap upward, which will open the way to advances yet undreamed of, or it must be a plunge downward, which will carry us back toward barbarism."

Continuance of our present policy of giving to land owners most of the socially earned wealth of our time, and titles to that of future time, must culminate in a plunge downward. To reverse that policy by transferring public taxation from individually earned values to those that are socially earned, would open the way to the leap upward.

Whether the policy of transferring public taxation from individually earned industrial values to socially earned land values, begin with a long stride or a short step, the tendency is the same. If it be a short step nothing more is necessary than to follow that step with other steps in the same direction. If the step be a long stride, so much the better, provided it is a stride and not a mere yearning for one.

But it cannot be a stride. Long established social custom is too much of an obstacle. To succeed, the forward movement must be step by step. At any rate it must be so in its beginnings. For that reason Henry George formulated the Single Tax program for developing the Single Tax method of realizing the Single Tax ideal of a new social order.

Pursuant to that program all taxes on the production of wealth would be abolished as rapidly as possible yet as gradually as necessary. As taxes on production were thus diminished, taxes on land values would be increased until virtually all taxes required for public service were derived from land values.

The effect of that program would be progres-

sively beneficial to all wealth-producing interests—from agricultural and manufacturing to mercantile and professional, and in every class from least to greatest—in contradistinction to interests that appropriate wealth without earning it.

So long as speculative land values suck away from individual earners more or less of the values of their respective contributions to wealth production, which is a characteristic of our present defective social order, so long will every social reform, political or economic, be in large degree ineffective. Social conditions cannot be effectively reformed while we allow the financial benefits of reform to go to speculative land owners and to inflate land values. No social reform can be effective if its tendency be to make land more expensive for use, and the use of land consequently less profitable to users. Reform at the root of the social tree is a prerequisite to effective reform in its branches.

In the common sense vision which inspired his *Progress and Poverty*, Henry George saw the cause of social decay at the root of civilization. So he proposed a radical remedy, a remedy that would revitalize the root.

His object was an adjustment of social order—of community and individual life intermingled—in harmony with natural social laws. The social laws he had in mind were those by which human activities are so regulated that good results depend upon conformity to the natural conditions that regulate our lives, rough-hew them as we may.

He aimed to minimize careless thinking about our present social order, and to develop by natural and progressive methods a substitution of the prime cause of order for the deep-seated causes of disorder. Pursuant to that aim he proposed the only effective method for making land ownership serve the interests of all, by divesting it of advantages that are earned by the social whole.

He saw that with social advance land value increases. He saw that with every such increase privately retained individual earnings tend to recede as a proportion of produced wealth if not indeed as a quantity. He realized that this process cannot continue without carrying us on to social disaster. And he foresaw that by no other means than by taking community earned values for community uses and leaving individually earned values to the individual producers who respectively earn them, can a solid foundation be laid upon which business of the useful kinds may thrive, faithful workers of all varieties reap their just rewards, governments be supported according to the desirableness and consequent value of the services they render, and civilization advance instead of recede.

Accordingly he proposed as the basic social reform, the parent reform of all useful reforms, a progressive substitution of land-value taxation for taxes on production.

What are the implications?

Would it be too optimistic to say that they are what the founder of the Single Tax credited them

with being when toward the end of *Progress and Poverty* he explained that the philosophy, the method, and the program, of the Single Tax accord with "all that is politically, socially or morally desirable"? Or when he declared that "it will make all other reforms easier"? Or when he showed it to be "the carrying out in letter and spirit of the truth enunciated in the Declaration of Independence—that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness"? Or when he asserted that "those rights are denied when the equal right to land—on which and by which men alone can live—is denied"? Or when he declared that "equality of political rights will not compensate for the denial of the equal right to the bounty of nature"? Or when he added that "political liberty, when the equal right to land is denied, becomes, as population increases and invention goes on, merely the liberty to compete for employment at starvation wages"?

Be that as it may, the reform which "for want of a better name we call the Single Tax," to use a favorite expression of its founder, proposes a fiscal reform which in its full application will leave to each individual, untaxed, all that he earns, taking annual land values annually for public use. In its beginnings it proposes to shift taxes gradually from individual earnings to those values of land that are

unearned by land owners. Its social tendency at all stages of its development is to increase wealth production and to promote fair distributions of wealth among all who contribute to its production.

What is the objection? What intelligent and honest objection can there be, to that reform?

APPENDIX I

BIBLIOGRAPHY

Progress and Poverty: An Inquiry into the Cause of Industrial Depressions and of Increase of Want with Increase of Wealth. The Remedy. By Henry George. This book, the first full exposition of the Single Tax, from its underlying moral and economic principle of equal rights to the use of the earth to a simple and practicable method of realization without disturbing private possession of land, namely, by abolishing all taxes on industry and concentrating taxation upon land values, was first published in 1879. It has been frequently republished in many countries and in many languages. An abridged edition, authorized by Anna George de Mille (daughter of Henry George), is published by the Vanguard Press, of New York City. The full text forms two volumes of The Memorial Edition of the Writings of Henry George, published by Doubleday & McClure Company of New York, and one volume of The Complete Works of Henry George, published by Doubleday, Page & Company, of New York. As this book has been frequently and extensively quoted in the preceding pages no further description is offered here.

Social Problems, by Henry George, consists of a series of essays, most of which were first published serially in Frank Leslie's Illustrated Newspaper in 1883. It is accessible as a separate volume, and also as one of the volumes in The Memorial Edition, and in The Complete Works published by Doubleday, Page & Company. One of its most important statements, in view of the careless criticism that "the Single Tax may be a good thing but it will not cure all the defects of our social order," is the following, already

quoted in our text but repeated here for emphasis: "I do not say that in the recognition of the equal and unalienable right of each human being to the natural elements from which life must be supported and wants satisfied, lies the solution of all social problems. I fully recognize the fact that even after we do this, much will remain to do. We might recognize the equal right to land, and yet tyranny and spoliation be continued. But whatever else we do, so long as we fail to recognize the equal right to the elements of nature, nothing will avail to remedy that unnatural inequality in the distribution of wealth which is fraught with so much evil and danger."

Protection or Free Trade, by Henry George, deals at length with the subject described in its title, leading on to the conclusion that "the mere substitution of a revenue tax for a protective tariff" is "only a somewhat milder restriction on trade than a protective tariff;" that "free trade in its true meaning requires not merely the abolition of protection but the sweeping away of all tariffs, the abolition of all restrictions (save those imposed for the interest of public health and morals) on the bringing of things into a country or the carrying of things out of a country."

Henry George's other books, all of which are expository from various angles of the Single Tax principle, as published in *The Memorial Edition* and *The Complete Works*, include: *The Land Question*, *The Reduction to Iniquity* (a reply to the Duke of Argyll), *The Condition of Labor* (an open letter to Pope Leo XIII), *A Perplexed Philosopher* (an examination of Herbert Spencer's various utterances on the Land Question), and *The Science of Political Economy* (unfinished).

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Land-Value Policy, by James Dundas White. London: Published by the United Committee for the Taxation of Land Values, 11, Tothill Street, S. W. 1, 1924.

The Land Tax in China, by Han Liang Huang, Ph.D. New York: Columbia University, Longmans, Green & Co., Agents, 1918. This is not a Single Tax book but it has supplementary value. Its full and intelligent account and discussion of Chinese experience for four thousand years with crude methods of taxing land, and its conclusion in favor of taxation of land values, make it both useful and interesting in connection with Single Tax study.

A Plain Talk on Taxation, by James R. Brown. New York: Manhattan Single Tax Club, 226 West 47th St.

The Story of My Dictatorship, by Lewis H. Berens and Ignatius Singer.

A New Robinson Crusoe, by Gilson Gardner. New York: Harcourt, Brace and Howe, 1920.

Principles of City Land Values, by Richard M. Hurd. Published by The Record and Guide, New York, 1903. The views of a conservative expert in real estate. Not a Single Tax book, but extremely useful in considering the merits of the Single Tax with reference to city real estate.

The Science and Practice of Urban Land Valuation: An Exposition of the Somers Unit System, by Walter William Pollock and Karl W. H. Scholz, Ph.D. Philadelphia: The Manufacturers' Appraisal Company, 4021 Walnut St., 1926. Not a Single Tax book but a scientific guide for the measurement of land values.

False Education in our Colleges and Universities, by Emil Oliver Jorgensen. Published by the Manufacturers and

- Merchants Federal Tax League, 1346 Altgeld Street, Chicago, 1925.
- My Story*, by Tom L. Johnson. Edited by Elizabeth J. Hauser. New York: B. W. Huebsch, 1911.
- Joseph Fels: His Life-Work*, by Mary Fels. New York: B. W. Huebsch, 1916.
- Single Tax Year Book: The History, Principles and Application of the Single Tax Philosophy*. Joseph Dana Miller, Editor. Single Tax Review Publishing Company, Sun Building, New York City, 1917. An exhaustive collection and explanation of important data.
- The Taxation of Land Value*, by Yetta Scheftel. Boston and New York: Houghton Mifflin Company, 1916. A comprehensive and minute inquiry into the principles and practice of the taxation of land values both as a fiscal and as a social reform. Awarded the first prize of 1915 in the economic contest established by Hart, Schaffner and Marx.
- The Single Tax Movement in the United States*, by Arthur Nichols Young, of Princeton University. Princeton University Press, Princeton, N. J., 1916. Though not sympathetic, this is a full, faithful, and scholarly history down to 1916.

APPENDIX II

BIOGRAPHICAL INDEX

- CHARLES FREDERICK ADAMS**—New York lawyer and public speaker; was prominent in the Single Tax movement from 1882. Deceased.
- ANTONIO ALBENDIN**—leader of the Single Tax movement in Spain.
- WARREN WORTH BAILEY**—editor of *The Johnstown (Pa.) Democrat*; Congressman from Pa. 1913-1917.
- ROBERT BAKER**—of Brooklyn, member of Congress 1903-1905; active in progressive democratic work looking to the Single Tax.
- JAMES H. BARRY**—editor of *The (San Francisco) Star*, long a leading advocate of the Single Tax.
- DAN BEARD**—artist; founder Boy Scouts of America; author of *Moonblight*, a Single Tax romance.
- JOHN W. BENGOUGH**—Canadian cartoonist whose art was devoted to Free Trade and the Single Tax. Deceased.
- ROBERT BRAUN**—of Budapest, translator of *Progress and Poverty* into Hungarian.
- EDWARD OSGOOD BROWN**—leading lawyer of Illinois and Justice of the Appellate Court in Chicago. Deceased.
- HARRY GUNNISON BROWN**—professor of economics at the University of Missouri.
- JAMES R. BROWN**—president and manager Manhattan Single Tax Club; national advocate of the Single Tax, especially in business and agricultural circles.
- JAMES W. BUCKLIN**—lawyer of Grand Junction, Colo.; State Senator; pioneer in Single Tax work in the State. Deceased.
- SAMUEL L. CLEMENS (MARK TWAIN)**—said of a book based on Single Tax principles, "I believe its gospel."

- EDMUND VANCE COOKE**—of Cleveland, poet and lecturer.
- STOUGHTON COOLEY**—author and journalist; an editor of *The Public* 1913-1919; editor *Tax Facts* of Los Angeles since 1923.
- WILLIAM T. CROASDALE**—editor Henry George's *Standard* 1890-1891; originator of the definition, "A Single Taxer is one who does something for the Single Tax," hence the phrase, "A Croasdale Single Taxer." Deceased.
- ERNEST H. CROSBY**—poet and publicist. Deceased.
- A. W. F. DAMASCHKE**—president League of German Land Reformers.
- GEORGES DARIEN**—a French leader of the movement and editor of *L'Impôt Unique*. Deceased.
- ANNA GEORGE DE MILLE**—youngest daughter of Henry George, and editor of the abridged edition of *Progress and Poverty*.
- JOHN DEWEY**—professor of philosophy at Columbia University, publicly endorses the Single Tax.
- JAMES H. DILLARD**—president Jeanes and Slater foundations for Negro education.
- W. A. DOUGLASS**—of Toronto, pioneer leader in the Single Tax movement in Canada.
- GEORGE H. DUNCAN**—national lecturer under auspices of the Henry George Lecture Association.
- JOSEPH FELS**—international leader and financial organizer of the Single Tax. Died in 1914.
- MARY FELS**—wife of Joseph Fels who upon his death succeeded her husband in his Single Tax work.
- GEORGE FOWLDS**—of New Zealand, merchant; former member of the New Zealand parliament, and a member of the cabinet as minister of education; a long time leader of the Single Tax movement in New Zealand.
- HAMLIN GARLAND**—novelist; author *Jason Edwards*, early Single Tax fiction.
- WILLIAM LLOYD GARRISON**, son of "The Liberator"—a strong advocate of the philosophy of Henry George. Deceased.

LUCIUS F. C. GARVIN—Governor of Rhode Island and leader of the Single Tax movement in that State. Deceased.

E. B. GASTON—founder of Fairhope, the Single Tax settlement in Alabama.

HENRY GEORGE—born in 1839 at Philadelphia; while still a youth followed the sea; settled in San Francisco, working at the printer's trade and becoming an editor of local distinction. Wrote *Progress and Poverty* there, and upon publication by the house of Appleton of the second edition, moved to New York City. Here in 1886 he was Labor candidate for mayor, polling 68,110 votes to 60,435 for Theodore Roosevelt and 90,552 for Abram S. Hewitt. Was founder of *The Standard*, of New York City, and its editor from 1887 to 1890. In 1897 he accepted a candidacy for mayor of Greater New York, offered by a spontaneous uprising against Tammany Hall. Within three or four days of the election he suddenly died. His funeral evoked a spontaneous and pathetic demonstration by huge masses of the people. In the course of his campaign he had aroused great enthusiasm, and at the last had thrilled a labor audience by his response when the chairman introduced him as "a friend of labor." His response was, "I am not for labor; I am for men."

HENRY GEORGE, JR.—eldest son of Henry George, became the substitute candidate for mayor of New York in 1897 upon his father's death. He was his father's biographer, his work in that particular constituting the last volume in the collection of his father's works which he edited and which the Doubleday and McClure Company published in 1898, and the last two volumes in *The Complete Works of Henry George* published by Doubleday, Page and Company. He worked assiduously in aid of the Single Tax cause from boyhood until his death in 1916. Part of this work was done in Congress from 1911 until 1915, he having been elected to that body in 1910 from a New York City district and re-elected in 1912.

- RICHARD F. GEORGE**—second son of Henry George; a sculptor distinguished in the Single Tax movement for his portrait bust of his father. Deceased.
- WILLIAM C. GORGAS**—Surgeon-General U. S. A.; an advocate of the Single Tax as a prophylactic against poverty and disease. Deceased.
- MARGARET A. HALEY**—leader of the widely known Teachers' Federation of Chicago, and strenuous advocate of the application of the annual values of the public school lands to public school purposes.
- BOLTON HALL**—New York City, lawyer; president American Single Tax League 1907; author of economic fables and other Single Tax literature.
- GEORGE P. HAMPTON**—edited *The Single Taxer* (earlier *The Single Tax Courier*, later *The Single Tax Review*, now *Land and Freedom*); subsequently a promoter of Single Tax principles in farm organizations. Deceased.
- JOHAN HANSSON**—Swedish translator of George's *Reply to the Pope* and writer of Single Tax literature.
- CHARLES O'CONNOR HENNESSY**—President of the Franklin Society; as State Senator a leader in legislative work for the Single Tax in New Jersey; president Third International Single Tax Conference, held at Copenhagen, Denmark, in 1926.
- DR. MANUEL HERRERA Y REISSIG**—of Argentina; author of *The Land Tax*, in Spanish, a work which has made a profound impression in South America and Spain.
- MAX HIRSCH**—leader of the Single Tax movement in Australia; author of *Democracy versus Socialism*. Deceased.
- FREDERIC C. HOWE**—associate of Mayor Tom L. Johnson of Cleveland, Ohio, in civic affairs in the direction of the Single Tax; Commissioner of Immigration at Ellis Island, N. Y., 1914-1919; author of *The Confessions of a Reformer*.
- A. G. HUIE**—of Sydney, New South Wales; a leader in bring-

ing about the measure of the Single Tax now operative in that city.

LEWIS JEROME JOHNSON—professor of civil engineering at Harvard and the Massachusetts Institute of Technology; president of the National Single Tax League 1918-1920.

TOM L. JOHNSON—a member of Congress from Cleveland, Ohio, from 1891 to 1895; Mayor of Cleveland for three terms, from 1901 to 1907. Throughout his mayoralty service, as well as before and after, he persistently aimed at promoting Single Tax advances in local government. In some degree he succeeded in the face of tremendous opposition from privileged interests. He died in 1911.

EDWARD KEATING—journalist; member of Congress from Colorado 1913-1919; editor of Labor, official railroad labor organ.

DANIEL KIEFER—a national leader in the Single Tax movement from 1908. Deceased.

JACOB E. LANGE—educator; president Henry George League of Denmark.

AUGUST LEWIS—a liberal financial promoter of the Single Tax movement. Deceased.

FREDERICK C. LEUBUSCHER—New York, lawyer; verbatim reporter of Henry George's speeches in the mayoralty campaign of 1886; efficiently active in the Single Tax movement ever since.

CARL LINDHAGEN—Mayor of Stockholm and member of the Swedish parliament where he has labored incessantly for the enactment of Single Tax legislation.

W. E. MACKLIN—a Disciples medical missionary in China who has supervised condensed translations into Chinese of Progress and Poverty, Spencer's Social Statics, and Dove's Theory of Human Progression.

JAMES G. MAGUIRE—a friend and adviser of Henry George during the writing of Progress and Poverty; member of the San Francisco judiciary; as a member of Congress in 1894 introduced a Single Tax measure which received his own

- vote and the votes of Jerry Simpson of Kansas, Tom L. Johnson of Ohio, John DeWitt Warner of New York (all Single Taxers), and of Harter of Ohio and Tracey of New York; original narrator of the story from which comes the Single Tax question, "Do you see the cat?" Deceased.
- EDWIN MARKHAM**—poet and lecturer.
- DR. EDWARD MCGLYNN**—a Roman Catholic priest of New York City; an advocate of public schools for secular education. He became an early and active convert to the principles expounded by Henry George. For participating as a public speaker in behalf of Henry George in the New York mayoralty campaign of 1886 he was expelled from the priesthood, but was afterwards restored unconditionally. In the interval he became president of the Anti-Poverty Society and its principal orator. Deceased.
- JOSEPH DANA MILLER**—editor of the *Single Tax Review* from 1897 until its change of name in 1924 to *Land and Freedom*, of which he remains the editor.
- FREDERICK H. MONROE**—president the Henry George Lecture Association with headquarters at Chicago.
- JOHN MOODY**—financial analyst; founder of *Moody's Manual*.
- J. J. PASTORIZA**—as finance and tax commissioner of Houston, Texas, he introduced the "Houston Plan of Taxation," a limited application of the Single Tax. Deceased.
- JOHN PAUL**—Secretary of the United Committee for the Taxation of Land Values, of Great Britain, and editor of *Land and Liberty*, the Single Tax organ of Great Britain; headquarters at 11, Tothill Street, London S. W. 1, England.
- GEORGE FOSTER PEABODY**—banker, publicist and philanthropist.
- LOUIS F. POST**—chairman of the first national Single Tax Conference, held in New York City in 1890; also of the second, held in Chicago in 1893; associate editor of *The Standard* 1887-1891, and its editor 1891-1892; transcontinental lecturer on the Single Tax 1893-1895; editor of

The Public of Chicago 1898-1913; Assistant Secretary of Labor of the U. S. 1913-1921.

LAWSON PURDY—secretary New York Tax Reform Association 1896-1906, during which period the Association secured the enactment of a law for the separate valuation of land and improvements; president Department Taxes and Assessments, New York, 1906-1917, in which office he made these separate valuations.

HERBERT QUICK—journalist, and author of popular books, in many of which favorable illustrations of the Single Tax principle appear, notably in his *Good Ship Earth*, and his autobiography, *One Man's Life*. Deceased.

JACKSON H. RALSTON—international lawyer; originator of the Hyattsville (Md.) taxation experiment, and largely instrumental in obtaining the local option tax law in Maryland.

WILLIAM MARION REEDY—founder and editor of *Reedy's Mirror of St. Louis*. Deceased.

HENRY F. RING—lawyer of Houston, Texas; an early leader of the Single Tax movement in his State; author of *The Case Plainly Stated*. Deceased.

E. P. RIPLEY—of Chicago; chairman of the first International Single Tax Conference, held in the city of Chicago in 1893. Deceased.

A. H. ROEBUCK—member Toronto bar; leading Single Tax organizer there.

FREDERICK W. ROMAN—educator and university lecturer.

CHARLES T. ROOT—president of the Robert Schalkenbach Foundation.

ROBERT SCHALKENBACH—active in the Single Tax movement from the first Henry George mayoralty campaign until his death in 1924; devisee of the fund for establishing the Robert Schalkenbach Foundation for promotion of the Single Tax and Free Trade as Henry George taught them.

GEORGE A. SCHILLING—Secretary State Board Labor Commissioners of Illinois 1893-1897, compiling its Eighth

- Biennial Report, on taxation, and its Ninth Biennial Report, on franchises and public utilities; member, and part of the time president, of the Board of Local Improvements of Chicago 1903-1907 and 1911-1915.
- DR. L. W. SCHRAMMEIER**—as Land Commissioner of the German Colony of Kiauchau in China, established in the Colony the principle of taking the "unearned increment" of land values for the community. Deceased.
- THOMAS G. SHEARMAN**—a leading member of the New York City bar; author of *Natural Taxation*, and an associate of Henry George in the promotion of Single Tax education on fiscal lines. Deceased.
- JERRY SIMPSON**—Congressman from Kansas when Judge Maguire and Tom L. Johnson were also members; supported Judge Maguire's Single Tax measure. Deceased.
- LINCOLN STEFFENS**—journalist and author; analyst of causes of municipal corruption in America.
- LEO TOLSTOY**—Russian author and humanist; advocated the Single Tax in his novel *Resurrection*, and in a pamphlet *The Great Iniquity*. Deceased.
- WILLIAM S. U'REN**—leader in Oregon movements for local applications of the Single Tax under initiative and referendum laws.
- DR. FELIX VITALE**—of Uruguay; author of important presentations of Henry George's philosophy in Spanish.
- LOUIS WALLIS**—national lecturer under auspices of The Joseph Fels Commission.
- FISKE WARREN**—founder of single-taxing communities, known as enclaves, in Massachusetts, in Maine, and in the Republic of Andorra.
- COLONEL JOSIAH C. WEDGWOOD**—Single Tax leader in the British Parliament.
- JOHN Z. WHITE**—for more than twenty years a transcontinental lecturer in promotion of the Single Tax under auspices of the Henry George Lecture Association.
- CHARLES D. WILLIAMS**—Protestant Episcopal Bishop of

138 WHAT IS THE SINGLE TAX?

Michigan; distinguished advocate of The Single Tax principle as an expression of righteousness in civil life. Deceased.

H. MARTIN WILLIAMS—a Single Tax leader in Missouri and Illinois; later reading clerk of the House of Representatives at Washington. Deceased.

APPENDIX III

INDEX TO QUOTATIONS IN TEXT

References to George's Works are according to paging of The Memorial Edition of the Writings of Henry George, New York: Doubleday & McClure Company, 1898; and of The Complete Works of Henry George, New York: Doubleday, Page & Company, 1904; and of the paper editions of Doubleday, Page & Company, all which editions have identical paging.

Quotations cited in this book may be found as follows:

Page

- 3 "that all taxation"—Progress and Poverty, p. 421.
- 3 "the cause"—Progress and Poverty, title-page.
- 3 "The effect"—Progress and Poverty, p. 424.
- 3 "The advantages"—Progress and Poverty, p. 431.
- 13 "Let me not"—Social Problems, p. 201.
- 19 "Waiving all"—Progress and Poverty, p. 315.
- 22 "A change"—Science and Practice of Urban Land Valuation (Pollock and Scholz), p. 15.
- 26 "The term"—Protection or Free Trade (footnote), p. 302.
- 28 "the substitution"—Progress and Poverty, p. 317.
- 29 "the conception"—Democracy vs. Socialism (Hirsch), p. 53.
- 30 "The ideal"—Progress and Poverty, p. 319.
- 31 "The incentives"—Progress and Poverty, p. 503.
- 31 "each advance"—Progress and Poverty, p. 504.
- 32 "Her progress"—Progress and Poverty, p. 504.
- 39 "Unrestricted"—Land Nationalization (Alfred Russel Wallace), chapter viii.

140 WHAT IS THE SINGLE TAX?

Page

- 40 "The complete"—Progress and Poverty, p. 397.
 41 "Since land"—Science and Practice of Urban Land Valuation (Pollock and Scholz), p. 234.
 42 "It is absolutely"—Protection or Free Trade, p. 279.
 44 "As we have"—Progress and Poverty, p. 404.
 48 "Here, let us"—Progress and Poverty, p. 233.
 61 "the most"—Democracy *vs.* Socialism (Hirsch), p. 52.
 61 "If true"—Democracy *vs.* Socialism (Hirsch), p. 53.
 65 "The rent"—Democracy *vs.* Socialism (Hirsch), p. 127.
 76 "We shall"—Progress and Poverty, p. 542.
 89 "To remove"—Progress and Poverty, p. 468 .
 94 "Is it true"—National Taxation (Shearman), p. 1.
 97 "Land value"—A B C of Taxation (Fillebrown), p. 10.
 97 "Take the"—Single Tax Year Book (Miller), p. 426.
 99 "merely to"—Progress and Poverty, p. 404.
 100 "The advocates"—Protection or Free Trade, p. 319.
 101 "No one"—Single Tax Year Book, p. 425.
 103 "the land"—Land and Liberty, Sept., 1926, p. 189.
 108 "is a mere"—Protection or Free Trade, p. 319.
 109 "The entire"—Land and Freedom, July-August, 1926, p. 121.
 110 "continuous garden"—Land and Freedom, July-August, 1926, p. 107.
 113 "the earth"—Psalm 115: 16.
 114 "assert the"—Progress and Poverty, p. 403.
 114 "raise wages"—Progress and Poverty, p. 403.
 114 "to abolish"—Progress and Poverty, p. 404.
 117 "is a mere"—Protection or Free Trade, p. 319.
 118 "What change"—Progress and Poverty, p. 540.
 122 "all that"—Progress and Poverty, p. 542.

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