

Prosperity In the Year 2000 A.D. Achieved by Democratic Steps A Challenge to State Socialism

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PROSPERITY

CHAPTER I Introductory

The Chicago of the year 2000 A.D. is a very different city to what it was fifty years before that time. With the exception of a few buildings, mostly on the lake front, the city has been entirely rebuilt and upon the plan of wider streets, overpasses, and viaducts, to accommodate the great increase of automotive traffic which has developed during the preceding half-century.

In accordance with modern city planning the stockyards and packing house district

had been removed many miles distant from the city, and the requirements of railroad, wholesale, and manufacturing districts had been provided for with a view to the best interests of all concerned. Needless to state, with very few exceptions every building in the city, residential as well as business, was air-conditioned so as to provide an almost uniform temperature summer and winter, and by the elimination of all smoke and the introduction of super-electrical service, Chicago has become a model city and has been so recognized by the entire civilized world. This is in strong contrast to the Chicago of the previous century with its fringe of palatial buildings on the lake front hiding, as it were, the squalor of the old district in the rear, a contrast which suggested a poverty-stricken woman bedecked with a diamond necklace.

There has been nothing miraculous in this transformation of Chicago; the change was not made by a paternalistic government but has been entirely paid for directly by Chicago people themselves.

Prominent among the city's leaders who were responsible for directing this transformation was Justin Waterson. Mr. Waterson, who now in his eighty-fifth year had retired from active business, was the head of a wholesale hardware firm until fifteen years previous and since that time has lived at his old home some forty miles north of Chicago on the lake front. The retirement from business did not mean for him either lapse into idleness or roaming over the earth in aimless fashion. While he turned the active management of his business over to others, he employed his time more or less systematically with such other interests as had claimed his attention for many years.

His tall frame, his whimsical sense of humor, and his absolute honesty were suggestive of Abraham Lincoln. He was still as agile and active as most men twenty years younger than himself, and habits of temperance and physical activity had preserved for him an alert manner and an elastic step. His penetrating dark eyes were quick to measure any proposition placed before him, and his judgment and advice were constantly sought by others. His four children had married and had left the parental house where he and his wife lived in the comfort that could have been provided only by the modern service of that time.

Mrs. Waterson entertained frequently, not in the perfunctory way of a mere society woman but in the more natural way of hospitality to friends and neighbors. During the winter of 2000-2001 it so happened that Mr. Waterson's grandson, Charles Waterson, was living with his grandparents while attending a nearby school. Charles was just seventeen, at that period of life when a boy is at his very best, with mind alert and full of interest in the larger world that had been brought to him as a young man and before the time when so frequently happens an unfortunate system of molding body and soul

of the growing youth into the pattern determined by the accepted standards and prejudices of the day had taken place. It may here be observed that had Franklin, Lincoln, or Henry George been regimented into the standard schooling of their day, these men might not have developed into the great characters which we now honor.

As happens so frequently, grandfather and grandson were far more alike in features, temperament, and taste than were father and son. Nature has this quaint way of skipping generations in her artistry. What is more important, the older and the younger man were unusually congenial in spirit. They liked to be together and it was quite as much a pleasure for the grandfather to tell of his experiences as it was for the younger man to listen with interest. Mr. Waterson was an entertaining conversationalist but his talk never partook of the garrulity of old age. Their favorite rendezvous was the large library with easy chairs before the lighted fireplace, and particularly was this true during the stormy days of that winter. But they were frequently to be seen walking together by the lake front, through the woods, and across the country as inclination led them while talking together.

It was during this winter that the conversations recorded herein took place, revealing that transcendently important period in America's history which embraced the last two-thirds of the twentieth century. This gave to the younger man a rare and intimate insight into the peaceful revolution which had changed the United States from a land embarrassed with problems of poverty to one where prosperity prevailed everywhere. For poverty and the fear of poverty are now things of the past. It was difficult for the younger man to realize the extent of the social disorder and the consequent industrial depression which prevailed up to the middle of the preceding century and to understand how it happened that corrective measures so obviously in order were not undertaken sooner than they were.

Had Charles Waterson been of the conventional type he would have taken everything for granted and paid little attention to what had gone before or what was coming in the future. He would, with the thoughtlessness of early youth, have been interested only in those things which gave him immediate physical or intellectual pleasure and which as a rule consisted in out-of-door sports and indoor amusements. Possibly his attitude would have been different had it not been for the stimulation of interest given to him by his grandfather. The older man had been impressed with the great change in the social order and consequent civilization that had come within his own lifetime. He had had the advantage of unusual perspective. Possibly the clarity of vision in reviewing the days of childhood and early manhood which come in later life was a special advantage to Justin Waterson in this instance. This certainly was of advantage to the younger man.

The story of the bloodless revolution was full of dramatic interest of which it was a pleasure alike to relate and to learn. The revolution and the contributing causes of it which were covered by the conversations of the older and the younger man, instead of being the result of any supernatural influences, was simply the working out of natural law provided by a beneficent Creator and relieved of the obstructing influence of the bad laws which had been inflicted by stupid and ignorant legislators.

It remained, however, for a nation's prophet, Henry George, to apply his great intellect to the matter, to solve the problem of increasing poverty with progress and to provide the solution of the enigma of persisting poverty amid abounding wealth. He took upon himself a solemn vow that he would not rest until he had achieved this task. It was accomplished as a result of the publication of "Progress and Poverty" in 1879. This was the real start to the revolution which finally resulted in the abolition of all taxes and the taking in lieu thereof by the government of its rightful revenue, ground rent.

Thoughtful men in France, England, Ireland, the United States and elsewhere had reasoned that (the will of God was being thwarted/ in some mysterious way by interference with that prosperity which they knew to be the birthright of mankind and which prosperity had prevailed at an earlier day.

Sir Thorold Rogers in "Six Centuries of Work and Wages" has demonstrated conclusively that in the thirteenth century there was a better condition of relative prosperity than had existed before or has existed since that time. Said he: "There was in those days no such class so poor, so helpless, so pressed, and degraded as are millions of Englishmen in our boasted nineteenth century." According to Francis Neilson, the history of England tells that there was no such thing as a "Poor law until the people were driven away from the lands to make room for the sheep." He adds: "With all our boasted civilization we do not begin to compare with the long ago for high wage and short hours." And he further states: "In 1351 for the first time in Britain an act of Parliament fixed wages and hours. The people rose against this iniquitous measure and rebellion broke out in many parts of the land." And again: "That so long as the serfs were free to use the common fields and wastes, wages must be high and prices low."

It is interesting to note that for a period of one hundred and fifty years after the Conquest of England, the whole of the revenue of the country was derived from the land. Thereafter the land was gradually untaxed and this change marked an increasing poverty of the serf.

CHAPTER II

The Old Order

"Grandfather," said Charles one day, "you have told me something of conditions in the old days when you were a boy and I want to know more. You have spoken of the great improvements which had then been made in the arts and sciences, and especially in the introduction of labor-saving machinery, over that of previous days. How did the conditions which existed when you were a boy differ from what they are today?"

"Well, Charlie," replied the older man, "it is a long story. It will seem incredible to you that with the civilization so highly cultivated at that time in nearly every other way, there should have been the poverty and destitution which actually existed. The very fact that there was a standing army of unemployed is evidence enough of the poverty which prevailed in those days. The existing extremes of wealth and poverty at that time was causing apprehension to thinking men. However, there was, of course, a pretty large number of people who enjoyed what was generally spoken of as prosperity. But poverty, or the fear of poverty was the rule with a very large proportion of the population and the fear of poverty extended to those who at the time had plenty. In one year more than five hundred men reported to the Government that they were in receipt of incomes in excess of more than a million dollars each. In every community charity organizations were taxed to the utmost. Everyone was expected to contribute something to the Community Chest, and this frequently involved coercion of a regrettable nature. In the natural order it would have been better for a large proportion of these subscribers to have kept their subscriptions for their own benefit. At one time, in New York City alone, hundreds of thousands of families were dependent upon charity, while the number so dependent in the nation amounted to many millions, and had it not been for the operations of charitable organizations, thousands of lives would have been sacrificed every day by starvation or exposure. When local resources had been pretty well exhausted, in order to take care of the unemployed, the Federal Government was called upon. Appropriations of billions of dollars were made with almost frantic haste in order to provide for the destitute and, incidentally, to forestall revolution.

"The Government adopted measures to promote an artificial prosperity. It was reasoned that when times were good wages were high, so it was decreed that employers should pay increased wages to their employees. It was likewise reasoned that with prosperity men did not have to work so many hours, therefore, the Government issued proclamations that the hours of labor should be shortened. Huge appropriations were expended in all sorts of public works, many of them of only nominal value but upon the theory that it was better to pay for work actually accomplished than it was to adopt the dole system.

"Agriculture was particularly favored by the Government, and hundreds of millions of dollars were paid to farmers for the express purpose of limiting the crops which they produced and the number of hogs raised by them on their farms. In the southern states the acreage of cotton was limited and when it was found that more cotton had been planted than was wanted, great areas were plowed under so as to keep down the total production. The cost of this being paid by the Government was justified by the demands that prices of agricultural products must be raised in order to provide a profit to the industry. You can easily understand, Charlie, that these things indicated a serious condition of affairs and that the country in the early part of the last century was distinctly headed for revolution."

"But, Sir," persisted the younger man "how did it happen, then, that there was at that time so much unemployment and misery while today those conditions have been entirely eliminated?"

"The answer to your question, Charlie, is extremely easy today for the reason that we have seen the great change which has taken place and know exactly what was done to bring it about. After various costly experiments had been tried and found to be of no avail, it was at last decided that the burdensome taxes which had been crushing business, industry, commerce and agriculture must be repealed. And this was gradually done. Coincidentally, the Government commenced to take that revenue which at last was realized belonged to it, the rental value of land, or more properly speaking, ground rent. This immense revenue had mostly gone into the pockets of individuals for so many generations that the change was difficult of accomplishment, but it was the only alternative. And that this was strictly in accord with considerations of justice was finally demonstrated. Furthermore, every step taken in these two directions brought results which were so satisfactory that when once the program had been airily started it became easier of accomplishment as time went on. It became self-propelling.

"Nothing is more true than that retrospection promotes wisdom. The average school boy of today is well informed as to the underlying principles of political economy and it is difficult for him to understand the universal ignorance of these principles which prevailed in the first half of the twentieth century. The enigma of abounding wealth with the power to produce unlimited wealth on the one hand together with appalling poverty and unemployment on the other was apparent enough to everyone. But the explanations which were given for this by the statesmen and economists of that day were so varied and contradictory as to leave no doubt in the minds of men today as to the general ignorance which then prevailed.

"The one great social wrong which had, by the sanctifying influence of time, grown into a vested right was the surrender of economic or ground rent to individuals or corporations, thereby making necessary as an alternative the imposition of those multitudinous taxes, the burden of which finally precipitated the revolutionary change."

"Now, Grandfather," said Charles, "I wish you would tell me something more about what you call ground rent."

"In every large American city it gradually became the rule to erect the more expensive buildings on land owned separately from the building themselves and by means of what were called 99-year leases. These were so drawn that the owners of the buildings assumed and paid all taxes before paying the net ground rent to the owner of the land. This latter tribute was, of course, essentially a community value. It was a golden stream that should have then emptied, as it now does, into the public treasury. Where buildings and the land on which they stood were owned by the same individuals there was nevertheless a clear division between the return that was due to capital for the improvements and ground rent which rightfully belonged to the community. Ground rent is, of course, a reflection of land values and is therefore to be found nearly everywhere, in greater degree where population is dense and in lesser degree where population is sparse. In other words, ground rent corresponds with exact nicety to the need for public revenue. This is the Single Tax idea in a nut shell. It is impossible to estimate at this time the total amount of ground rent before it was finally diverted into the public treasury, one important consideration being that it was an elastic value which fell during periods of depression and rose correspondingly with periods of comparative prosperity."

"But," interrupted the younger man, "didn't the people understand that they were being robbed of the revenue that rightfully belonged to their government and that they therefore were the victims of double taxation?"

"No. You see, Charlie, in the old days the transfer of ground rent to individuals was made without the knowledge or consent of its rightful owners, without their objection or interference, and without any compensation whatever being received in return for same. The responsibility for this robbery of the people, for such it was, rested with society and not with any individual. The recipients of ground rent assumed that their investment was quite as legitimate as any other and from a purely legal standpoint this was true."

"But you have already told me that there were men who saw the injustice of this system and who persisted in calling attention to its injustice."

"Yes, it was only by continuous and ever-increasing insistence upon the mighty truth that the law of justice must prevail in the affairs of government that the great reform from the old to the new order was finally accomplished."

"But wasn't this a little hard on those people who had all of their money invested in those 99-year leases and similar property that you have told me about?"

"Certainly. While the change involved no injustice to anyone it did cause hardship as Henry George himself anticipated that it would. And the change was therefore made as gradually as possible, there being no sudden elimination of those taxes which fell so heavily upon capital and labor. Justice was the criterion at all times. Established truth was at all times taken for authority and authority for every forward step was accepted only after it had been proved to be true."

"Could it not be claimed by the holders of those special privileges that their property had become valid by the lapse of time?"

"When 'Progress and Poverty' was published a new Magna Carta was given to the world. From that time forward the principle that 'ignorance of the law excuses no one' was to have a new meaning. This was thereafter to apply to economic law as well as to statutory law. Caveat emptor was given a new emphasis and a distinction was thenceforth to be made between legitimate return for labor or capital and the illegitimate transfer of economic rent to private parties. Thenceforth notice was in reality given to investors that they should beware of 99-year leases or other contracts which conveyed community values into the pockets of individuals. Constant emphasis must be given to the great truth enunciated by Henry George that economic rent is the fruit of the community designed by a wise Creator to provide for the expenses of the community: that this fund is amply sufficient for such use: that when diverted to individuals social ills are sure to follow: and when taken by the community then all other taxes of every kind whatsoever may be abolished.

"The universal prosperity which now prevails was brought about by no legerdemain, but by simple conformity to natural law: by providing government with its legitimate revenue, economic rent, consequently permitting all other taxes to be abolished: with land speculation and land monopoly a thing of the past: by providing all men with an equal right to the use of the earth: by providing the same freedom of commerce with all nations which existed between the States of the Union. The philosophy of Henry George thus became a beneficent reality."

CHAPTER III

The Old System of Taxation

"In the study which I have made of taxation in the twentieth century, Grandfather, it appears that nearly every authority on the subject assumed that taxes should be levied in proportion to the ability to pay. That idea differs so widely from the system which we have now adopted that I am puzzled to know how it happened to have been so generally accepted."

"The theory of taxation which prevailed up to the time when all taxes were abolished," replied the older man, "was, as you say, that a tax should fall in proportion to the ability to pay. This idea is to be traced directly back to the system of tithing in the church which was originally instituted by Moses. He levied a tax on his people amounting to one-tenth of their possessions or profits for support of the priests. And down through the centuries tithing (one-tenth) became a recognized institution in the church. This had a direct influence upon systems of taxation employed by the state. If all right for the Church, why not for the State? There was apparent reason behind this challenge. But the conclusion was based on fallacious reasoning. Contributions to the church are voluntary and cannot be fixed by law. The motive behind church contributions is presumably a religious motive; contributions to churches are not to be weighed in the scales of justice, and cannot be treated as commercial transactions. The support of government, however, is mandatory and the burden upon the individual is justly fixed as exact payment for equivalent benefits received. The citizen pays the state for service rendered precisely as individuals pay one another for service rendered. Schools, courts, fire and police protection, together with all other legitimate service of government involve expenses that must be met by the taxpayer.

"There is one tax only which enables the assessment to be made with exact justice and that, of course, is the tax upon land values. This tax is in reality no tax at all upon any individual. It simply takes for public expense revenue which has already been produced by the community.

"The absurdity of taxing in proportion to the ability to pay will be revealed if one pictures the confusion which would follow payments for food, clothing, shelter, theater tickets, etc., upon that basis. The injustice involved is immediately apparent. Such a proposal would be universally received with the contempt which it would deserve. Such is the force of slavery to habits of thought and to customs sanctified by long usage. To tax in proportion to the ability to pay was accepted without question until a growing revolt against it was finally crystalized and given to the world as a challenge by Henry George. When one contemplates how governments down through the ages have secured needed revenue without regard to the eternal law of justice,

without respect for ethical principles but on the contrary by seizing private property with the same indifference to moral principles which characterizes the procedure of the highwayman, it becomes apparent that there must have been thereby exerted a subtle but strong influence by example upon the actions of the individual citizen. It is now thoroughly understood by everyone that the government has no more right to take from the individual his personal property by such means as income taxes, inheritance taxes, or gift taxes such as were formerly employed than has the highwayman any right to hold up a traveler and to take his personal possessions from him. In other words, we today apply the same moral code to government that in the old days was limited to the conduct of the individual. Property rights are now sacred as never before.

"If the king can do no wrong' and yet does many wrongs, why may not the citizen himself presume to do the same? We are forced to conclude that the disregard of moral principles, particularly in the collection of taxes, was responsible in a large degree for the lawlessness which characterized those days. It is said that water cannot rise above the level of its source. It is also said that every great institution is the shadow of some individual. With governments this is King, Emperor, President, or some other designated ruler. How vitally important is it, therefore, that the Government and its head should be above suspicion as to intelligence and integrity alike!

"All honorable business, public or private, is based upon the one-price plan, regardless of the ability to pay. This is in line with the requirements of justice. In our civilization of today no one is penalized for the wealth which he has produced or accumulated. We are proud of the fact that there are many millionaires. These fortunes, however, have not come from special privilege of any kind and do not involve any injustice to others, but are the reward for business ability, integrity, and thrift. Wealth is a good thing and should not be penalized. Today no one needs hide his prosperity as though he had committed a crime. All rejoice in the prosperity of all. The colossal fortunes of the twentieth century, which were nearly always the result of special privilege of one kind or another, no longer exist. Special privileges of all kinds were abolished long ago.

"It is recorded that in the early part of the twentieth century ten per cent of all passenger travel was upon passes. Such passes are no longer issued to anyone."

"Grandfather," said Charles, "I do not understand how the question of taxation should have been so important as you tell me it was in those old days. It would seem to me that so long as the government needed money that it wouldn't make much difference what was taxed so long as the revenue was raised. Then again, from what you tell me,

taxes were shifted upon the landowners thereby exempting everyone else. I do not see how all that squares with the principle of justice."

"The conclusions which you have expressed, Charlie, are substantially those which prevailed in the old days. Careful scrutiny of the text books and the legislative records of a century ago will warrant the conclusion that there must have been very little appreciation at that time of the powerful influence, either for good or evil, of taxation. The important fact that every legislative enactment must first pass the test of justice and equity before being considered for its expediency and practicability was evidently ignored by the lawmakers of that time, the only test apparently that was considered necessary having been the old French test that the best tax is that which secures the most feathers with the least squawking.

"It is conclusively evident that the legislators of those days cared little or nothing as to the effect of any tax so long as it would produce the needed public revenue. If you will hand me that volume of Ely's on the second shelf by the fireplace I will read you his statement."

This being done, the older gentleman read as follows: "Taxation may create monopolies, or it may prevent them; it may diffuse wealth, or it may tend to the establishment of tyranny and despotism; it may be used to bring about reforms, or it may be so laid as to aggravate existing grievance and foster hatred and dissension among classes; taxation may be so controlled by the skillful hand as to give free scope to every opportunity for the creation of wealth or for the advancement of all true interests of states and cities, or it may be so shaped by ignoramuses as to place a dead weight on a community in the race for industrial supremacy."

"Thank you, Grandfather, that certainly makes the matter clearer to me. But you did not answer my suggestion that it is unfair to tax only one form of property, land."

"The point you make, Charles, is a pertinent one and was very frequently made in the old days. The answer is that when we tax the value of land we tax everybody, for everybody lives on land and if he does not pay this tax directly to the tax collector for land which he owns he does pay it in the form of rent to some landowner. You must keep in mind at all times, Charlie, that what he really pays is a community value and does not come out of his individual earnings or profits. But where the government taxes the products of labor it takes what does not belong to it and, incidentally, this has the effect of penalizing and consequently discouraging every act of both capital and labor. Do you see the point, Charles?"

"Yes sir, I believe I do, thank you! I can now see that it makes quite a difference as to

how taxes are imposed and that a bad tax has a most unfortunate effect."

"Yes, Charles," returned the old gentleman, "if the Devil himself had commissioned a group of his most astute followers to devise a system of taxation which would rob the many for the benefit of the few; increase unnaturally the high cost of living; reduce wages and cause the unemployment of millions; make crime by statute that which is no crime in morals; penalize the commerce that would have enriched all concerned; cause most of the wealth of the country to pass into the hands of a very small minority; place exorbitant prices upon and make inaccessible for urban and agricultural use land that is the gift of the Creator to man; cause the settler to seek a habitation upon sterile and remotely located land while an empire of arable land was held out of use by monopoly; convert the advantages of labor-saving machinery into a curse instead of a blessing; promote international antagonism by tariff walls; make necessary an army of assessors and tax collectors where only a few would serve as well; institute inquisitorial methods which violate all the ideals of a free country; penalize legitimate business while subsidizing special privilege; make necessary excessive burdens upon the taxpayer to cover Socialistic experiments; make necessary the support of millions by doles and subsidies; destroy growing crops in order to secure the greater profits of one industry at the expense of all others while at the same time failing to take the natural revenue of government, the rental value of land; by surrendering this enormous fund to favored individuals; he could not have done worse than by providing exactly the system that prevailed in our country up to the middle of the last century."

"What puzzles me, Grandfather, is that in a civilization that was evidently so far advanced in most respects, the lawmakers of the time when you were a boy were apparently such ignorant fellows. It would appear that they knew nothing whatsoever of the science of political economy."

"Yes, Charles, it is entirely natural for you to assume that the legislators in the olden days were far below the average of intelligence at that time. But this was only partially true. Those men were representatives of the people under a republican form of government. Public service did not invite public-spirited men who could afford to devote their entire time and attention to the public weal. The immense pressure of unemployment of all classes served to elect public officials and legislators who would not be tolerated today. But it must be remembered that this has been the character of what in the corporate sense is called Government from time immemorial. In that book of my favorite quotations from Plato on the table over there, you will find his idea on the subject."

Charles readily found the place and read as follows: " 'Whereas in simpler matters— like shoe making— we think only a specially trained person will serve our purpose, in politics we presume that anyone who knows how to get votes knows how to administer a city or a state.' It seems marvelous to me, Grandfather, that poverty could have been abolished and what you call the greatest reform in all history accomplished by so very simple a method as was involved in a change of the system of taxation."

"You are right, Charlie, the simplicity of the great change made is most impressive. This was understood by Henry George himself. Its very simplicity had the effect, apparently, of condemning it. Complicated programs with inclusion of ingenious devices of an artificial nature commanded far greater interest and acceptance during my boyhood days than did the simple plan of conforming to natural law which was proposed by Henry George and his followers. But the effect of the new order was like that of a two-edged sword, cutting away as it did on one side the bans which restricted so seriously every activity of capital and labor, business, industry, commerce and agriculture while on the other side by restoring to government its natural and rightful revenue it at the same time severed those obstacles which had prevented free access to natural opportunities. In consequence of the change what amounted to a new continent, a new frontier, was provided. As in colonial days those who were not satisfied with wages paid thereby found a new opportunity to go into business for themselves."

"Grandfather, in reading an old history the other day I came across a statement that the system of taxation of the last century made the poor poorer, and the rich richer. Was that true?"

"Generally speaking that statement was true, my boy, and proof of it is illustrated by the fact that great wealth was to be found with a small percentage of the population while poverty of greater or less intensity was the rule with the majority of the people. But there was at least one exception to this rule. The income tax was aimed at the rich. It was a grossly unjust tax and should never have been imposed. It is difficult to overstate the great advantage which came more than fifty years ago as the result of abolishing the income tax. The income tax was originally urged as a measure which would retrieve for the common people at least a part of the loot that was being taken from them by the protective tariff. In a certain sense this constituted a conflict between the farmers of the West and the protected manufacturers of the East. It was a game of tit for tat. However, two wrongs do not make a right and, fortunately for the people, the income tax proposition was at that time found to be unconstitutional. Then a thing happened which after the lapse of nearly a hundred years seems strange indeed. Just as a few years later the Eighteenth Amendment was adopted so at that time the Sixteenth Amendment to the Constitution was adopted in order to make

constitutional a measure that was actually not constitutional. Within a comparatively few years the income tax had taken from industry a total of more than sixty billion dollars. The depression of 1929-1933 soon followed but it did not seem to occur to the statesmen of that day that there was any connection between taxes and the depression. Little importance, apparently, was then given to the consideration of justice. Otherwise two per cent of the population would not have been taxed for the benefit of all by an income tax. Expediency was the only consideration. The income tax was collected with total disregard of any equivalent values being rendered by government in return to the taxpayer. It was considered legitimate for the government to rob Peter to pay Paul in true Robin Hood style. In countless instances corporations and firms were driven out of business because the government took the lion's share of their earnings thereby making future operations unprofitable.

"The statement blanks for the income tax were so complicated that none but experts could understand them and the conclusions of experts were frequently overruled by the government often causing additional heavy payments or fines. The entire procedure involved inquisitorial methods and great inconvenience to business houses because of the over-hauling of their records by public officials. The abolition of this unjust tax had an immediate effect in great revival of business. A substantial economy was, of course, effected by removal of the army of officials and clerks employed by the Internal Revenue Department."

"Grandfather," exclaimed Charles, "it certainly looks to me as though you had no statesmen at all during the period which was responsible for this iniquitous system of taxation!"

"I agree with you entirely, Charles, so far as there is any evidence of statesmanship being applied to economic conditions during a very long period of time. There was an old saying that statesmen were those who thought of the next generation while politicians were those who thought only of the next election. It would, therefore, appear that nearly all of our lawmakers up to the middle of the last century were politicians rather than statesmen! From the standpoint of today it seems incredible that such a multitude of taxes should have been imposed and tolerated up to nearly fifty years ago and that the effect of these taxes in producing high living costs, low wages and unemployment should not have been recognized long before it was. One might easily suppose that the men of those days were hypnotized for the definite purpose of bringing about their own undoing. Automobiles, for example, were taxed by seventeen different taxes, the gasoline used frequently being taxed more than one hundred percent. In the southern states heavy occupation taxes were imposed and in the more unprogressive communities personal property, machinery and general merchandise were also taxed. When these taxes were abolished a most favorable

result in the revival of business was immediately experienced. State income taxes and sales taxes were very generally imposed."

"But there was one tax, Grandfather, that, so it seems to me, might have been retained, and that is the tax upon beer, wine, and spirituous liquors. These are luxuries and it should be easy to secure an immense revenue from the tax upon them."

"You have expressed the idea that was prevalent until finally all taxes whatsoever were abolished, Charles. When it was proposed to abolish all taxes upon the liquor business, there was general remonstrance. Admitting the sanity of abolishing all taxes upon capital and labor, it was stoutly maintained that taxes upon liquor should be continued because liquor was not a necessity and because such taxes yielded an immense revenue. But these objections were finally over-ruled. It was found that by free trade with France and other countries and by the elimination of all excise taxes upon the manufacture and sale of wine, malt, and spirituous liquors, the quality of these on sale was greatly improved. The cost was so reduced that the bootleggers were automatically and permanently put out of business. Much of the intemperance of the old days was directly traceable to the excessive, high price of good wines and liquors, while more or less poisonous substitutes and imitations were responsible for death and disease."

CHAPTER IV Democracy Versus Socialism

"Grandfather," said Charles one day, "by the reading of what I have been able to get hold of regarding the prevailing thought of the day during the period when you were a boy, it would appear that socialism had a very strong hold upon the teachers in the universities and also upon the average man. It was frequently stated that democracy had failed and that something must be done to change the system which had favored big business too much. If this was true, how did it happen that democracy was triumphant, after all, in the accomplishment of the great reform?"

"Your observations are good, Charles. As a boy I can remember the frequent statement that democracy has failed and that we must adopt some form of state socialism to take its place. And I can only attribute the persistence of democracy, as established by Thomas Jefferson and perpetuated by Henry George, to the fact it had the advantages of truth while socialism had the disadvantage of the self-destructive force of error."

"Grandfather," exclaimed the boy, "I believe you are prejudiced!"

"Well," returned the older man, "the proof of the pudding is in the eating of it and I think you will agree with me that those of us who toiled for democracy have been well rewarded by its success. You see socialism involved the unjust proposition of equal wages for all regardless of differences in mental and physical ability and at the same time ordained that all business should be managed either directly or indirectly by the Government. This was destructive of individual initiative and enterprise. Fortunately for us in this country, we were furnished with the experiences of Russia and other European countries, and so it happened that gradually the weaknesses and the fallacies involved in State socialism came to be recognized while the soundness and the virtue of democracy at the same time came into increasing favor.

"There is a fundamental antagonism between the two forms of government that are represented by democracy and State socialism. They are as antagonistic and irreconcilable as are oil and water. The socialists have been described by Henry George as 'Those who would try to rule the wonderfully complex and delicate relations of their frames by conscious will.' The democrat who is a consistent follower of Thomas Jefferson and Henry George, on the other hand, is one who relies upon the beneficent regulation of the business world by natural law, just as natural law prevails everywhere else in the universe for the benefit of mankind. He is grateful for the laws of nature which enable calculations of the solar eclipse to the minutest division of time. He is grateful for the fact that the multiplication table cannot be changed even by the Creator Himself. He is grateful that the laws which apply to gravitation and electricity can be counted upon by him as reliable agencies. And he is particularly grateful that by Henry George's discovery of another natural law, and its practical application, poverty could be abolished and a new era of prosperity ushered in.

"It is related that when Robert G. Ingersoll was asked if he would, were he able to do so, change any law of nature, he replied, 'Yes, I would make health instead of disease contagious.' It is probable that further consideration by this great man would have led him to the conclusion that perhaps God was right after all."

"But, Grandfather, the socialists claimed many prominent men as believers in their system or government. Surely these men did not repudiate natural law!"

"On the contrary, the socialist invariably repudiates natural law and essays to establish artificial man-made law in place thereof. Instead of relying upon natural law and a system of ethics pertaining to it, he builds the philosophy upon a foundation of expediency. In so doing, he endeavors to guide the ship of state without a compass."

"Then, Grandfather, you assert that the democrats, or Single taxers as you call them,

had the advantage of being united upon an agreed program while the socialists varied greatly in the interpretation which they put upon their scheme of government."

"You are right, Charles; it was often stated by newspaper men who reported single tax conventions and conferences, that 'These are men who know just what they want and how to get it.' This was in contrast to the varied programs, definitions and explanations of state socialism. The socialists were not exact in their reasoning or conclusions. Their attitude in the matter reminds me of a characterization by Herbert Spencer which I will ask you to read from that volume, 'Social Statics.'"

Charles picked up the book and read as follows: "'There are people who hate anything in the shape of exact conclusions; and these are of them. According to such, the right is never in either extreme, but always half-way between the extremes. They are continually trying to reconcile Yes and No. If's and But's, and Except's, are their delight. They have so great a faith in "the judicious mean" that they would scarcely believe an oracle, if it uttered a full-length principle. Were you to inquire of them whether the earth turns on its axis from East to West, or from West to East, you might almost expect the reply—"A little of both," or "Not exactly either." It is doubtful whether they would assent to the axiom that the whole is greater than its part, without making some qualification. They have a passion for comparison. To meet their taste, Truth must always be spiced with a little Error. They cannot conceive of a pure definite, entire, and unlimited law.'"

"It seems to me, Grandfather, that you claim for your philosophy a character that is almost religious."

"You are quite right, Charlie. The philosophy of Thomas Jefferson and Henry George tallies perfectly with the conception of a beneficent Creator whose intelligence, exercised for the benefit of mankind, is to be observed on every hand and particularly so in the natural laws of the universe, many of which no doubt are as yet undiscovered by man.

"It is the universal experience of those who have come to understand the philosophy of Henry George that this has given them, a revelation of the prosperity and consequent happiness which has been provided by the Creator for all men, a new faith in God. It is equally true that by repudiation of natural law and substitution of human ingenuity therefor, the philosophy of State socialism tends logically to atheism."

Taking a book from his library Mr. Waterson continued, "Concerning this Henry George said: 'Socialism in all its phases looks on the evils of our civilization as

springing from the inadequacy or inharmony of natural relations, which must be artificially organized or improved. In its idea there devolves on the state the necessity of intelligently organizing the industrial relations of men; the construction, as it were, of a great machine whose complicated parts shall properly work together under the direction of human intelligence. This is the reason why socialism tends toward atheism. Failing to see the order and symmetry of natural law, it fails to recognize God.' "

"But, Grandfather, you do not mean to assert that all of the Socialists in the old days were atheists or irreligious?"

"No doubt," replied the older man, "there were thousands and thousands of people who called themselves Socialists who were good Christians and good citizens. What I do assert is that the philosophy of Socialism tended to eliminate the existence of natural law in political economy. You may verify this by perusal of the various books on State socialism which you will find in my library.

"A careful study of the writings of Socialists will invariably reveal the tendency of that philosophy away from natural religion. And this tendency is conspicuously illustrated by the attitude of the Roman Catholic Church which condemns State socialism with anathema. On the other hand, the philosophy of Henry George, as advocated by Dr. Edward McGlynn, was examined by a committee of Catholic clericals presided over by an apostolic delegate sent from Rome for that special purpose and the verdict of that committee was that nothing in the philosophy of Henry George, which is essentially the philosophy of democracy, was found to be contradictory to, or inimical to the doctrines of that Church. But when I speak of democracy being in harmony with religion I mean, of course, natural rather than revealed religion."

"It occurs to me, Sir, that there might have been some experiments in State socialism as well as in democracy which would have been a guide for the future in the old days."

"Yes, Charles, there were a number of illustrations at that time. When we turn to the picture of State socialism in action by the greatest experiment in the world's history, that of Russia,* we are immediately impressed with the fact that so far as the authorities there could prescribe, God had no place in the mechanics of that government. State socialism assumes an attitude toward the citizen similar to that of the farmer towards his poultry and sheep. This is based on an assumption of superior wisdom in the governing body. In the philosophy of democracy it is assumed that men are best left to their own initiative and without interference with their independence

and self-reliance. This is in accordance with the doctrine of laissez-faire, a doctrine which has been greatly misrepresented and which does not mean letting things slide but which does mean the absence of meddling interference by the State.

* While the form of government in Russia was communism and not socialism it should be stated that although socialism is theoretically more democratic than is communism nevertheless they both include public collective ownership of land and capital and the public collective management of all business and are therefore directly opposed to the democratic essentials of private ownership of property and business under free competition, privately owned capital and freedom from governmental control of business and industry. It may be stated also that State socialism leads logically to communism. Karl Marx was honored as a patron saint by the Soviets of Russia.

"Democracy places no limit upon the financial success of any individual, even though his earning capacity may bring him unusual wealth every year. There is, of course, at all times, the qualification of democracy that no special privilege of any kind shall add to anyone's wealth. In accordance with the socialistic program, all wealth is a community product and should be apportioned equally among all citizens. This, of course, violates the primary requirement of justice. It is upheld by socialists as providing the greatest good to the greatest number."

"Why was it, Grandfather, that in the time of your boyhood immigration was restricted?"

"Of course every nation has the right to prohibit entry of criminals or other undesirable persons who would be likely to become a financial burden, but the restriction of immigration at the period you speak of was actually a measure of state socialism. Socialism assumes a given quantity of labor to be performed during a given year and therefore opposes the opening of our ports to immigration because of the smaller individual share which would thus result by division with a greater number. In accordance with the philosophy of democracy there is no limit to the potential ability of the individual to create wealth. And as under normal conditions every man is capable of producing immensely more than he can possibly consume, the greater the influx of immigrants the greater will be the benefit to all concerned, the greater will be the aggregate of wealth produced.

"Primitive man, terrified by the hurricane, the stroke of lightning, and the earthquake, came to regard nature as malevolent, vindictive, cruel. In the course of time reason prevailed and man came to know that the afflictions imposed by nature are trivial in comparison to her many favors, that they are inevitable in the physical life of the best of all conceivable worlds, and that man himself is endowed with an intelligence which enables him to circumvent nearly every one of the calamities visited upon him in the

natural world.

"But in the twentieth century, there arose a school of thought in universities and in public life which reverted to type not only back through the century, but through millions of years. Again the cry went up that nature was cruel and that natural law as manifested in the affairs of men, and particularly as it effected supply and demand, must be combatted and overthrown by the puny artifices and devices of man himself. Wise old King Canute undertook before his courtiers to combat the force of natural law, but his experiment met with dire defeat, as he knew it would. Not so wise those modern sages. By imperial edict they essayed to fix wages, hours of labor, prices, the crops of the field, even prosperity itself! They would have reconstructed the universe on the basis of State socialism, ignoring completely that supreme natural law which provides public revenue from ground rents and makes unnecessary the imposition of those multitudinous taxes which at that time crushed all business enterprise and robbed the citizen of his rightful property.

"Grandfather," said Charles, one day in the early Autumn as the two men were walking along the shore of the lake on the Waterson estate, "it seems incredible to me that the philosophy of State socialism should have come into such favor as it evidently did back in the twenties and thirties of the last century with the colleges and with the weekly and monthly journals as has become evident to me by browsing in your library. I cannot understand why the philosophy of democracy should have been side-tracked as it apparently was at that time."

"Well," replied Mr. Waterson, "through the leadership of certain teachers and writers the idea was cultivated that democracy was a failure and was to blame for the depression of that time, that it had been tried during the entire existence of the nation and had been found wanting. The fact is that democracy had never been in full operation and the evils of that time were due to failure to apply its full program. A full statement of the case might be given in this way:

"The democratic form of government, established at the nation's birth by Thomas Jefferson and perfected a century later by Henry George, expresses natural law in statecraft and legislation. It is based on justice and insures the people against despotism, tyranny, and dictatorship. It provides equal opportunities for all and denies special privileges to any. It brings free trade with all nations, liberates capital and labor and all their products from taxation, and secures for government its rightful revenue from ground rents thereby releasing that prosperity which is man's rightful heritage and which is as natural as sunlight. It requires a strict construction of the constitution and limits the functions and activities of government to the minimum. It

requires of government the same regard for justice and ethical principles as universally apply to all business transactions between man and man. It rests upon confidence in the common people. It gives them the right of liberty and the pursuit of happiness together with that free play of initiative and enterprise which differentiates the free man from the slave. In short, democracy is the best form of government ever devised by man. Socialism is the antithesis of democracy."

"Thank you, Grandfather," said Charles. "You have made that matter very plain to me and my conclusion is that if everybody had an opportunity to produce wealth at any time either by earning a salary or by going into business that would be evidence enough that democracy prevailed and was a success."

"Precisely so," assented the older man, "and the same thing may be stated this way: Just as dollars will take care of themselves if the pennies be taken care of, so in the industrial world all wages and salaries will take care of themselves satisfactorily provided common labor, those who in political economy are termed mud sills of society, are fully employed and well paid.

"An opportunity to earn money at all times to the degree of financial independence by the process of creating wealth was the birthright of every man and woman a hundred years ago just as is demonstrated in our daily life today. This power to create wealth has steadily increased as a result of every labor-saving device made use of up to the present time. The three factors for the production of wealth are land, labor, and capital. When given free play as at present, prosperity is the certain result. In the old days these three factors were restricted by a monstrous system of taxation. How to remedy chronic industrial depression was the great problem in the old days. Henry George solved that problem. All taxes on capital or labor or their products were abolished. When it came to land a reverse process had to be employed. Paradoxical as it appeared, in order to liberate land to the production of wealth it had to be taxed up to the value of ground rents. This is, possibly, the most important of all the laws of political economy and the one which was least understood even by college professors and legislators.

"The tax upon ground rents is actually no tax at all as it falls upon no individual and simply takes for the community a value which the community itself has created and which Nature designed for public revenue. The effect of this tax is to make land, the gift of God to all, free to all. It has reduced the selling price of all building lots and all agricultural lands to a negligible figure: It had the effect when fully applied of opening up the equivalent of a new continent in our midst: It, of course, put an end to

all farm loans, except on improvements, and the enormous tribute previously paid in interest on same: It abolished land speculation and land monopoly with all of their attendant evils.

"The democratic program inherently involves freedom, independence, and self-reliance. State socialism, on the other hand, is based on an assumption of superior wisdom on the part of the governing body. But granting that a beneficent despotism constitutes ideal government so far as economy is concerned, all history testifies to the fact that a benevolent despotism is invariably followed by despotism which is anything but benevolent. The most infrequent figure in history is the benevolent despot. Socialism involves tyranny as an unavoidable accompaniment to its program."

"Now, Grandfather, you certainly will have to admit, so it seems to me, that at least during the depression years of 1926-1936 the democratic form proved to be a failure."

"During the decade of 1926-1936," replied Mr. Waterson, "it was assumed by dilettante Socialists in colleges and by members of the brain trust at Washington that democracy had failed and that they therefore were called upon to invent socialistic devices to take its place. But a careful examination of the conditions then existing reveals the fact that there was no failure in that part of the Government's program which was democratic, but that what was wrong was essentially socialistic in character. Most conspicuous of all was the protective tariff system advocated and supported by both political parties. It robbed the consumer for the benefit of a comparatively few citizens. It violated completely the mandates of justice and when it was abolished we immediately experienced an important step forward in democracy.

"Then, there was the Farm Relief legislation of that day, which in a single year distributed the immense sum of \$850,000,000 for the special purpose of taking 400,000,000 acres of arable land out of production of wheat, corn, cotton, and tobacco. In a single month 6,000,000 little pigs were slaughtered after having been purchased by the government at fancy prices. At that time the federal government paid \$15.00 per head for that number of pigs which a farmer agreed to reduce from his previous annual production.

"Incredible as it seems to us today, this was effected for the purpose of increasing the cost of those staples to the consumer, to the very citizen who was taxed to pay for this increase in his cost of living! Today we regard experiments of that kind as lunacy, but in any event, it must be considered that they were inherently socialistic and undemocratic to an extreme degree. The democracy of Thomas Jefferson and Henry George is essentially American, the socialism of Karl Marx is essentially un-

American."

"In perusing literature of the past I have noticed, Grandfather, that those who advocated socialism referred evidently with some feeling of contempt to the competitive system which prevailed then as now and I wish you would explain to me how it happened that this was so."

"Well," resumed Mr. Waterson, "the Socialists were a little hazy as to just how they would manage the affairs of State provided they had an opportunity to do so. But they were unanimous in at least two points. One was denunciation of the competitive system and the other was denunciation of capitalism. Even in those days such denunciation was somewhat amusing as capitalism can mean nothing else than the use of capital, which ever since the earliest days in history has marked a progressive civilization. An eminent authority at the time when I began to take an interest in these matters, Nicholas Murry Butler, president of one of the large universities, aptly stated: 'There is no such thing as capitalism, it was a debating term adopted by Karl Marx.' And careful consideration of the operation of competition in the business world will satisfy any open-minded person that its action, instead of being harmful, is invariably beneficent. While it was true that great evils existed in the prevailing economic system of the old days concurrently with competition in business, it was a fallacious conclusion that competition was to blame for the evils complained of. As you very well know, we have enjoyed this period of achieved prosperity for a comparatively short time.

"Vigilance is quite as much the price of liberty now as it has been during the long and strenuous struggle of man upward through the long years of tyranny, despotism and oppression. We must ever be on our guard against the destructive influence of false economic doctrines.

"Competition is the hand maid of democracy. It acts as a beneficent natural law in providing just settlements between buyer and seller. In an old volume published nearly a hundred years ago, entitled 'The Prophet of San Francisco' by Louis F. Post, is to be found a most interesting demonstration of the beneficent character of competition. The author introduces an example of bargaining or haggling, in which from extreme altruistic motives the buyer endeavors to pay as much as possible while the seller tries to sell for as little as possible. After concessions are repeatedly made by both parties to the transaction the price finally agreed upon is found to be exactly the price that would have been arrived at had the usual procedure of the seller trying to get as much as possible and the buyer trying to pay as little as possible been followed. Incidentally this illustration fully justifies the selfish motive in all business

transactions. If the individual is true to himself he cannot be false to any man. In the old days it was commonly asserted by clergymen and others whose imagination permitted them to go no further, that the intense suffering which accompanied business depressions was caused by the selfishness of man. They were pitifully mistaken. True selfishness is the mainspring of progress and under liberated competition involves injury to no one. The entire fallacy of the argument of socialism against democracy was involved in its denunciation of the competitive system. The fault lay, as everyone now knows, in the frustration of free competition by baneful influences happily long since removed.

"Summing up the whole matter, Charles, I think that the crucial difference between State socialism and democracy is best stated as follows: While State socialism precludes the securing of excessive wealth by any one, this is merely a negative result and involves serious injustice. The weakness of State socialism and the strength of private ownership and management of business rests upon the greater waste where no personal loss is involved and the greater efficiency and consequent economy that accompanies the competitive system under private ownership and management. Liberated competition automatically provides maximum economy of management and cost while providing profits to proprietors which are only the equivalent of fair salaries: By the acid test of justice and expediency, the democratic plan is approved while State socialism is condemned. This is verified by all experience."

CHAPTER V Government

"Perhaps the best distinction after all, Charles, between democracy and other forms of government is that under the democratic form the government is a service or convenience of the people while with other forms, the people are the subjects, if not indeed the slaves of their governments. Corrupt and oppressive governments have habitually cultivated a false patriotism in the minds of the people. In an old edition of Johnson's dictionary is to be found this definition of patriotism: 'The last recourse of a scoundrel.' The practical illustration of that kind of patriotism was to be found in the old days where prejudice was cultivated against other nations and their peoples and by politicians who were seeking selfish advantage. And it was particularly easy to foment this kind of patriotism during the years of business depression when opportunities for work were denied and when the products of foreign labor in the shape of imports were treated with antagonism. Of course there are two distinct kinds of patriotism. One of these is the natural love of one's native land or the place of habitation which has long been his, the patriotism that Sir Walter Scott referred to in his famous lines:

"Breathes there the man, with soul so dead,
Who never to himself hath said,
'This is my own, my native land!'"

"This sort of patriotism is the normal reaction of normal men to the land of their birth or adoption. But the other kind of patriotism is that which is fomented by appeals to prejudice and which in times past was encouraged by patriotic societies, militarists and munition makers. Strangely enough the descendants of the rebels against the government of King George, men who fought for principle and who from the standpoint of social cleavage were of the poorer classes, clad in ragged regimentals, frequently half starved, and in strong contrast to the well-to-do royalists who lived in the larger cities, the proud descendants of those men, became banded together in patriotic societies of the most reactionary type. But this constituted a passing phase after all and a better patriotism based upon justice and concern for the welfare of all the people succeeded it, and as you know, at last was effectual in bringing about the great reform which we are considering.

"If there be one fact conspicuous in all history from earliest times, it is that governments have ever been bad actors. The divine right of kings to do as they pleased has evidently been accepted from the first, and that the king can do no wrong is a fiction which likewise prevailed more or less seriously at every seat of government. In modern times those corporations which placed themselves beyond the pale of moral responsibility were said to have had no souls. Now it will be readily conceded that governments are the greatest of all corporations. They recognize no higher power. There is no high court to condemn them for violations of the moral law. They ever have killed and stolen, with but slight interference by the League of Nations, and they continued until the present era was ushered in to kill and steal with immunity. Governments have been responsible for all wars since the beginning of time."

"But, Sir," said Charles, "our own government is operating so well today and is apparently so entirely above criticism, it is difficult to understand the bad behavior of governments in the old days."

"Charlie," replied Mr. Waterson, "the difference in conduct of the government between then and now is due entirely to adoption of the democratic plan in its entirety. Patriotism is a commendable virtue. We love our country as we do our parents and our children and I may add our grandchildren, Charlie, even when they misbehave. And it is generally better to forget unpleasant incidents excepting as these may be of advantage for the future. And just to illustrate how our country has misbehaved in times past it may be of advantage to remember that the history of our own country involves a long list of highly discreditable wrongs which would have been crimes if

perpetrated by an individual. Witness: Our treatment of the Indians, with its long story of deception, fraud, robbery and the breaking of innumerable treaties: The taking of the Philippines as a spoil of war and withholding from the people of that country their unalienable right of self-government and independence: A single incident in our role of the Philippines being when American military forces deliberately slaughtered more than six hundred Philippino men, women, and children who had taken refuge in the crater of an extinct volcano: Our invasion of Nicaragua and Haiti with American marines for the purpose of protecting American financial interests, and with incidental slaughter of many hundreds of natives on the field of battle or by the use of bombs dropped on their villages: The treatment of the Southern people during the period of reconstruction after the Civil War: The deliberate deception of the American people during the great war, with regard to German atrocities for the purpose of inflaming the war spirit and making easier the sale of Liberty Bonds: The robbery of the protective tariff and the income tax with the maintenance of a system of taxation until the latter half of the twentieth century which violated every consideration of ethics and justice: The monumental stupidity of the United States in the ruinous program of competitive armament against imaginary foes: Repudiation of the gold clause in our national securities. These acts would justify, if no other justification were necessary, the determination of a democracy to restrict the activities of government to the minimum."

"Grandfather, you have certainly justified the demand of democracy that the functions of government be restricted to a minimum. Indeed, I have been somewhat enamored myself of a treatise on philosophical anarchy which I found in your library. If all men could be trusted to do the right thing without any coercion whatsoever, we would need neither police protection nor courts of law. On the other hand, I can see where under the democratic form of government the three departments, legislative, executive, and judicial, must be maintained and that these are properly based upon the party system. This holds as true today as when our government was established."

"Your conclusions are correct, Charlie. You have learned your lesson well! The Democratic party, originally called Republican, was based upon the democracy of Thomas Jefferson. Substantially this may be stated as follows: (1) a strict construction of the constitution, (2) economy and frugality in the expenditure of public money, (3) a tariff for revenue only with freedom of international trade as the desired accomplishment, (4) equal rights for all and special privileges to none.

"The Republican party, originally the Federalist party, established by Hamilton, distrusted the common people and advocated a strong, centralized national government. It favored an aristocracy and the protective tariff system.

"It appears that within the decade of 1926-1936 the characteristics and the principles of the two political parties had become almost identical so far as can be determined by the evidence before us. The principles which might be looked for to divide a conservative from a progressive party were absent and it is apparent that the chief object of the two parties was to come into power and thereby to enjoy the enormous patronage that was provided under the spoils system. Political clubs were made up of office-seekers rather than those who favored varying economic plans. State officeholders were commonly assessed five percent of their salaries for the benefit of a state fund handled without responsibility by officials of the party in power. A large part of this could be used as the personal contributions of these politicians to the national committee in exchange for lucrative federal positions. National conventions were composed largely of officeholders, whose patriotism ran high in support of their respective parties.

"In the early part of the last century nominating conventions had been so commonly dominated by the influence of special privilege that direct primaries were instituted in most of the states so that good men free from corporation influence could be selected. But this change of plan was found to be a mistake. Where delegates had been chosen to represent the people in party conventions, the responsibility so invested resulted in at least the selection of capable men and when the special privilege that accompanied tariff schedules and regulations of utility corporations were abolished, the vital objection to the convention system was automatically removed. The convention plan was shortly afterwards reinstated. The direct primary plan, gave opportunity for men of mediocre ability and character to nominate themselves, while those who would have made better public servants refrained from entering into political life.

"One of the important forward steps of democracy was the substitution of the proportional representation plan of voting in place of the unscientific and antiquated plan which it displaced. It is one of the curious characteristics of political history that reforms are so very slow in gaining acceptance. The proportional representation plan had been demonstrated to be superior in every respect both by its universal use in Ireland and in many smaller units of government decades before it was universally adopted. While any new discovery in chemistry, electricity, mechanics, or the arts was almost instantly made use of everywhere, there was a particularly stubborn force which always stood in the way of political reform.

"In contrast to the distinction which then existed the two political parties now represent the conservative and the progressive preferences of the citizen, but with the entire elimination of that patronage and secret influence which disgraced the old system."

"You will have to give me credit, Sir," said Charles, "for being a pretty good listener! But I want to assure you that I have been greatly interested in all that you have said and that I appreciate your having told me so much concerning conditions in the old days compared to what they now are. It has been difficult for me to understand how the men of your boyhood days accepted and perpetrated so much that was wrong in government affairs, and especially how they could have tolerated the great waste of public money that was involved in the spoils system. In your opinion, Grandfather, was this due to ignorance of what was going on, or pure indifference?"

"Well, Charles, I'll tell you. The American people of that time were as a rule honest and industrious, and every once in a while there was a wave of indignation against irregularities that had become flagrant, but ordinarily the statement that was made by a British authority of the time, Lord Northcliffe, to the effect that the American people were the most docile of any in the world, was true. This was particularly true during the period of the depression when there was such a pronounced waste of public money in futile experiments along the lines of State socialism. The administration of the government at that time was generally honest and well-intentioned. But of course there was great opportunity for graft and irregularity in the disbursement of billions of dollars by the large army of new and untrained public officials, a large proportion of whom were appointed under the spoils system. Perhaps the greatest contrast between the new and the old order is to be observed in the public service. Up to the middle of the last century, whenever a change of party administration took place an army of clerks and officials lost their positions, making room for political victors to whom the spoils were supposed to belong.

"Millions of dollars of taxpayers' money were paid to postmasters of the first class for unnecessary services as a reward for party support during political campaigns. This great waste, as you know, is now saved. For whenever a change in administration takes place not a single official or clerk below that of cabinet officer loses his position.

"In the old days new postoffices were frequently located to favor interested individuals and without regard to the convenience of the public. This evil has been automatically abolished by the taking of ground rents for the public and so removing any advantage to landowners, for land speculation has, as you know, come to an end. Under the spoils system senators and representatives at Washington controlled the distribution of offices and this necessarily interfered greatly with proper attention to legislative matters. With abolition of the spoils system and strict application of civil service rules an improved morale was immediately experienced. Public servants no longer feed at a government's pie counter. They are self-respecting employees who are in no way indebted to politicians for their appointments and are certain of continuous

employment conditioned only upon good behavior. But the chief advantage of the new era as compared to the old has been the reduction in the number of governmental employees by at least seventy-five percent.

"Although pensions of all kinds have, consistently with democratic ideals and as a result of general prosperity, been abolished, government service is regarded as particularly desirable. By reference to old records it is found that the hours of service, nine a.m., to four p.m., are today what they were at that time.

"You have undoubtedly observed, Charles, that in every application of the philosophy of Henry George to the system of government which we now enjoy, justice has been the supreme consideration. The acid test of justice has been applied to every governmental proposition. In harmony with this is the dictum of Henry George: 'That which is unjust can really profit no one; that which is just can really harm no one.'"

CHAPTER VI Public Utilities

"You will pardon me, Grandfather, but your conclusions in regard to public utilities seem inconsistent with what you say concerning State socialism. If it is in order to reduce the functions of government to a minimum and if it is unfortunate for Government to engage in business enterprises, how do you justify governmental ownership of public utilities?"

"That, Charles, was a question often asked in the old days. The answer briefly stated is that public utilities are monopolies not susceptible to the beneficent effect of competition and that therefore they naturally become a part of the legitimate functions of government. As a rule they serve everyone in the community. Experience has taught that when operated under private ownership the cost to the consumer was usually greater than it should have been.

"The change from private to public ownership of all public utilities was one of the most important steps toward the new era and was finally accomplished prior to the year 1975. Long experience had demonstrated two great advantages of this change. First, was the lower cost of utility service to the consumer. The other, and by many considered to be the most important, was that of taking the utilities out of politics. In the old days the power trust maintained one of the most influential of all lobbies at Washington and this influence was extended to every city, town, and hamlet in the country where public utilities were privately owned. Political corruption was found to be the unvarying and inevitable accompaniment of private ownership of public

utilities. The utility corporations were the heaviest contributors to Chambers of Commerce and by the multiple voting system were easily able to dominate the official attitude of those bodies. The utility companies shrewdly selected officials who in addition to being experts in their own fields were, as a rule, men of exceptionally pleasing personality.

"It was considered a good investment on the part of the corporations to supply these men with memberships in social and civic clubs as well as in Chambers of Commerce, and to their credit be it said these men were foremost in all committee work for Red Cross and other community enterprises. This naturally gained favor for them, and in turn, for the corporations they represented with the influential men of the community. The influence exerted with newspapers was generally conspicuous whenever a new franchise was desired or some movement for public ownership was to be overcome. It was then that full-page advertisements appeared and obviously without any thought of or possibility of getting the ordinary advantages of advertising but purely for the purpose of securing positive support of the press or averting its opposition.

"Hundreds of thousands of dollars were sometimes paid to a single newspaper for its support of a corrupt utility corporation and millions of dollars were used by the power trust lobby at Washington for the purpose of protecting its monopoly and its huge profits. Moreover, artificial holding companies were created for the express purpose of providing millions of dollars to their owners and with no legitimate service to the public. All of which was, of course, against the welfare of the taxpayer and at his expense. *Private* ownership of *public* utilities was obviously wrong, a violation of proprietary rights. The political corruption which invariably accompanied private ownership of public utilities was the deciding factor which restored public utilities to public ownership.

"In the old days streetcar passes were furnished, not only to influential lawyers, but to scores of officeholders and ministers of the Gospel whose favor, direct or potential, was desired. Large sums were paid to aldermen for their favor particularly when franchises were desired, and members of state legislatures were made useful by lavish entertainment. The expense of all of this was, of course, added to the price paid by the public for service, and now that the whole system has been abolished the chief source of corruption in politics has come to an end.

"In the controversy which finally resulted in complete public ownership of public utilities contention was made that the change would as you have suggested, Charlie, involve a move away from democracy in the direction of State socialism. It was urged, with reason, that private management was as a rule more efficient than public management. The spoils system was pointed to as a danger that was directly in front

of public ownership. Fortunately when the change was made civil service had taken the place of the spoils system and wherever possible the operation of these utilities has been placed by competitive bids under private management. One of the pleasing accompaniments of the change from private to public ownership of public utilities was the retention of officials of the retiring corporations at advanced salaries, the only exception being the small army of lobbyists whose occupations had become a thing of the past.

"It is extremely important, Charlie, to emphasize at all times the beneficent effect of competition in all ordinary business providing as that does minimum cost satisfied with service or prices at one business house he has a number of others to go to, and this being a matter of common knowledge prices are fixed accordingly. Again, if any line of business is known to be particularly profitable competition very quickly comes in to bring any extreme profits down to a normal level. This same rule applies, of course, to professional and industrial services. But the case is entirely different with public utilities. These are essentially monopolies. Competition had no place with them. If the citizen knew that he was called upon to pay excessive rates for transportation, water, gas, electricity or power he had no alternative but to go without these primary essentials. True, the public theoretically protected itself by the establishment of utility commissions to pass upon rates fixed by the corporations, but these bodies usually failed to prevent the collection of excessive rates even though they were in many instances unfair to the utility corporations in their decisions. As a result of a long experience and most careful comparison, public ownership of public utilities was found to be the better plan on every consideration.

"In the histories which you have studied, Charlie, supplemented by the information you have gained from my library, you have no doubt become fully aware of the magnitude of the struggle which was required to finally secure public ownership of public utilities the country over.

"In times past, history has consisted mostly of warfare between contending armies and the heroes of history have been those generals who successfully led conquering armies against defeated foes. So it came to be accepted as a truism that that country was blest which had no history. But during the past two-thirds of a century the history of our country has been in refreshing contrast to that of older periods, and those whom we most honor are those men who were banded together to contest against heavy odds for the principles which were finally successful. It should be remembered at all times that these forces for social righteousness had no selfish end to be gained by the change. On the contrary there are many examples of men whose fortunes were sacrificed by the very changes which they strove for. They were glad to make this personal sacrifice because of the conviction which they held of the greater prosperity which they

believed would result from the changes to be made. Incidental to the transition from the old to the new order it was found that those who had been deprived of special privileges were themselves actually better off under the new plan which provided ample opportunity for all. Could this have been foreseen the heavy cost and labor of the long struggle might have been saved."

CHAPTER VII

Crime

"In learning of the conditions which existed when you were a boy, Grandfather, nothing impresses me more strongly than the enormous amount of crime which then existed and the expense which it entailed upon the nation. I can understand that this was in great measure due to the large army of unemployed at that time and the apparent fact that it was looked upon by so many as the one business which paid better than any other. Of course, it is easy to criticize the men of those times for the reason that we have been able to trace the improvements made since then and know so well the reasons for the advantages which we now enjoy. Nevertheless, I cannot help believing that the men of those days were negligent in not understanding the problem which might so easily have been solved by the right system of taxation."

"My boy," replied the older man, "you are absolutely right in your conclusions. It is entirely natural for you to have arrived at the views which you have expressed. Nevertheless, had you lived in the old days you would have probably concluded that things as you found them were inevitable and your attention would have probably been concentrated upon the usual activities and pleasures of the day. You are right in your conclusion that in no other department of life has a greater improvement taken place than in that which comes under the heading of crime. The betterment which has resulted is a perfectly logical one due to the establishment of normal prosperity. For all students of sociology agree that environment is the controlling force in behaviour of the individual. The normal man prefers doing what is right rather than that which is wrong. When opportunity is closed to millions of men it is then that crime is regarded as an unavoidable alternative. During the early part of the last century, and particularly during the experimental period of Prohibition, the prisons and penitentiaries were overcrowded. That sumptuary law made crimes of acts which in themselves violated no moral law. This had the effect of creating disrespect for all law. This experiment resulted in the conviction of hundreds of thousands of first offenders and throwing them into confinement with real criminals.

"Immediately following the era of the prohibitory law came the great industrial depression with its army of fourteen millions of unemployed. That fact of itself was

responsible for an immense increase in crime. Then, as never before, idleness was the Devil's opportunity. Man naturally follows the line of least resistance. Consequently in obedience to the first law of nature crime was resorted to. Men who normally could be entrusted with the administration of an estate when deprived of the opportunity to make an honest living would, before allowing their families to starve, step out into the streets and hold up other men for such amounts of money as might be found in their possession. Men were apologetic in these criminal acts, often stating that they hated to do it but had no alternative. With many competing applicants for every opportunity to work wages were forced down to an irreducible minimum and the remuneration for the lowest-paid labor was little better than no pay at all. It is not surprising therefore that what amounted to armies of the unemployed were roaming the country nominally in search of work but in any event to secure the essentials of life by fair means or foul. Poverty was then, as always, the supreme cause of crime. Transcontinental highways were lined with 'hitchhikers' begging their way from place to place. The good-natured citizen took them in, usually with little sacrifice. More and more frequently it happened, however, that those who were favored in this manner turned upon their benefactors robbing them in the effort to secure the necessities of life.

"Petty thieving, shop lifting, house breaking and burglary filled the courts and the prisons. Everyone of these crimes rested upon the initial influence of poverty, an influence which is negligible today. Of course, because of the very fact of their having freedom of action, there always has been and doubtless always will be a percentage of mankind who choose to do what is wrong rather than that which is right. But in the era referred to the percentage of crime was vastly greater than ever before. The cause of this is directly traceable to the poverty and wide-spread unemployment of that day. The crime of that period would have been a far greater menace to society than it was had it not been for the ameliorating influence of charity."

"It would seem then, Grandfather, that the operations of charity had become very great in your boyhood days."

"Yes," replied the older man, "except for charity tens of thousands would have perished daily by starvation or suicide. Charity was the protection of Dives against Lazarus. Charitable institutions were called upon as never before to feed the hungry, to clothe the naked and to supply habitation for the unemployed. But this was a costly procedure and worst of all it undermined the self-reliance of the citizen. It naturally came to be assumed that the government owed every man a living. Jealousies were engendered between those who were receiving a little less and those who were receiving a little more from the paternalistic government at Washington. Strikes were started by certain groups against the governmental hand which fed them and as a

climax to the general sentiment which then prevailed movements were actually proposed in various localities for the providing of unemployment insurance so that wages might continue to be paid to everybody whether working or not!

"During this period the country was getting further and further away from democracy. The army of government officials had increased to an alarming number. In proportion as business was taxed out of existence the government sought to substitute new activities. Architects and builders having been taxed out of business the government instituted a huge housing program of its own. Incidentally these vast experiments in State socialism arrested a rising tide of revolution. The very fact that the government distributed billions of dollars during this period prevented the existence of what otherwise would have been a far greater extent of crime."

"The cost of crime to the taxpayer, added to the enormous losses to those robbed, must have been huge in those days, Grandfather."

"It certainly was, Charlie," assented the grandfather; "the cost of crime in the United States had steadily increased during the early part of the last century until it was said to have nearly, if not quite, equalled the total cost of government. 'The American Observer,' in its issue of December 20, 1933, indicated its belief that the nation's crime bill amounted to more than \$13,000,000,000 annually. As the annual cost of crime has now been reduced to less than \$3,000,000,000 while the population has doubled since 1933, you will readily appreciate the great improvement which has been made.

"But behind all of the crime due to the industrial depression of the last century was an age-old system which made of jails and prisons schools for crime. First offenders were thrown into association with experienced criminals with the logical result of steadily increasing the toll of crime upon society. Prison discipline was lax and the escape of gangs of the worst type was frequent. With the loot of former raids at their disposal prisoners were able to purchase the favor of prison guards and so to escape. Governors of the various states habitually pardoned thousands of prisoners who had been regularly convicted and sentenced by the courts of the country with heavy expense to the taxpayer. A great and radical reform has taken place in respect to the care of the criminals and this, of course, has been effectively aided by the advent of normal prosperity."

CHAPTER VIII

Charity

"One thing that has particularly arrested my attention, Grandfather, in the history of

the last century, is the enormous fortunes that were evidently made by the ultra rich of that day and at a time when great poverty existed with the masses of the people. Evidently many of the churches and colleges were greatly indebted to the multi-millionaires of that period for their foundation and existence. In the perusal of my history I find colleges actually named after Rockefeller, Mellon, Vanderbilt, DuPont, and other multimillionaires, while Mr. Carnegie seems to have endowed public libraries all over the country. It occurs to me that if the people of your boyhood days were self-reliant that they would have winced somewhat at having so much provided to them by the kindly hand of charity."

"Your observations are correct, Charlie, but it is a human characteristic to take things for granted and in reality it was only a very few in the old days who perceived this and were restive under the providing of public service by benevolent millionaires when such service should have been provided as it is today, out of public funds.

"By referring to the history of that time we find ample evidence of the truism that charity covers a multitude of sins. The charity referred to was not that virtue which appears in connection with those of Hope and Faith in Holy Writ, but it was more like the kind manifested by bequests of huge sums to colleges, hospitals, churches and other eleemosynary institutions by men who made easy money through some form of special privilege. And when in church service the virtue of Charity was extolled in eloquent phrases it is easy to picture the satisfaction which this produced. And there is ample evidence that those contributions had the effect of curbing any tendency on the part of professor or clergyman toward the expression of views or doctrines inimical to the interests of benefactors whose bequests were so greatly needed. Those who went too far in condemnation of social wrongs were promptly regulated and if still recalcitrant were disposed of in favor of more submissive spirits. The conditions then prevailing made cowards of nearly everyone.

"It is a fact that practically all of the larger fortunes of those days were the result of special privilege of some kind, all of which are now abolished. The easy acceptance of favors by the poor from the rich and from the government was slowly but surely having the effect of undermining that sturdy self-reliance which had characterized former generations. For in the very nature of the case, charity carries an evil influence with it. When, for example, charity provides board and rooms for young men and women below the prevailing rates for such service, as was done by Y.M.C.A., Y.W.C.A. and similar institutions a double injustice is inflicted upon the social order. First, an unfair competition with the legitimate industry of hotel and apartment house service is involved and then an influence is exerted which tends to the lowering of all salaries paid. This evil influence is inseparable from every form of charity and it is one of the great advantages in our present-day civilization that the principle of 'Live

and let live' prevails universally and that everyone pays his way without the aid of charity. The mission of Lady Bountiful has come to an end. No longer are turkey dinners provided for the multitude at Christmas time while patrician benefactors look down with satisfaction from above like Romans of old. No longer do the landlords of great holdings in our agricultural states provide holidays with food and refreshment for their obsequious tenants. No longer does the House of Have assume divine appointment for the care of the House of Want. No longer do ministers of the Gospel declare that the rich are entrusted by Heavenly favor with the responsibility of being their brothers' keeper. The ability of the lowliest worker in every community to amply provide for his sustenance has forever done away with that charity which was the unfortunate accompaniment of poverty in the last century. Intermingled with that charity there was naturally an immense amount of self-sacrifice and real charity which is better known as love for one's fellowman. But the organized charity which was largely a barricade against revolution and which had the effect of retarding the reign of justice now enjoyed is fortunately for us a thing that is buried in the ashes of the past.

"For organized charity, Charlie, although extolled as a beneficent institution, was a malignant disease of society. If you will open that second small drawer under the bookcase you will find among a number of old time pamphlets which I value highly a treatise by Bolton Hall on The Disease of Charity. Every page of this is pregnant with sound sense but I will only take time now to read a few of its more important paragraphs."

Receiving this pamphlet from his grandson the old gentleman read as follows: " 'It is time for the charity contributor to ask himself why he gives and what is the result of his giving. It is true that with poverty, sickness and misery all about, we cannot let men suffer and die without doing something, but that is no reason for doing the wrong thing. If, in all these years of giving to "improve the condition of the poor," we have not materially improved their condition nor lessened the demands in their behalf, should we not pause to consider whether we have been working toward a solution of this problem? If we have relieved the poor by reducing the industrious to poverty; if we have fostered dependence and destroyed independence; if we have cured one form of misery by creating other forms, in what way have we improved conditions? What hope have we of improving them by keeping on in that same course?

* * *

"Charity often deliberately reduces wages, because its managers do not see the far-reaching effect of their course. They recognize the need of present aid, but are blind to the cause poverty; they see that alms degrade the recipient, so they teach that the small pittance they can offer must serve as "wages for labor done."

* * *

"But at present, charities which teach women free to do some work at less than market rate, are doing gross injustice to those who have honestly paid for an education.

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"All gifts have similar results. In the "Gospel of Wealth," Andrew Carnegie says: "There is something far more injurious to our race than poverty; it is misplaced charity. Of every thousand dollars spent upon so-called objects of charity, it is not an over-estimate to say that nine hundred of it had better have been thrown into the sea. It is so given as to encourage the growth of those evils from which spring most of the misery of human life."

* * *

"Early in the nineteenth century pauperism and taxes had so increased in England that allowances were made from the parish treasury for insufficient wages and a standard fixed to which the income of paupers was raised. The act was justified on the ground that it was cheaper partially to support parish dependents than wholly to support them. But the results were disastrous. There was a general reduction in wages that brought the most industrious to the brink of starvation and destroyed any motive for self-support."

* * *

"As Tolstoy said, "If you can afford to do so much for your poor you must have robbed them pretty thoroughly first."

* * *

"As John Ruskin says: "Men will be unwisely fond, vainly faithful, unless primarily they are just; and the mistake of the best men through generation after generation has been that great one of thinking to help the poor by almsgiving, and by preaching of patience and hope, and by every other means, emollient and consolatory, except the one thing which God orders for them—Justice."

"It appears to me, Grandfather, that the word 'charity' must have come somewhat into disrepute in the old days as I have observed that as far back as in the first quarter of the twentieth century many charitable institutions changed the names of their organizations so as to omit the word charity. Furthermore, you would hardly include the pensions paid to veterans of various wars under the classification of charity, for that would not be fair to those who had offered their lives in defense of their country. Am I correct in this, Sir?"

"You are right, Charles, in assuming that closely allied to the realm of charity are pensions of various kinds. Under normal conditions patriotic citizens will respond to the call of their government to aid in the national defense under the recompense at the

time provided and will spurn any suggestion of additional pay of any kind. At the time of enlistment the risk was thoroughly understood and the supreme sacrifice was offered from patriotic motives and not for pecuniary reward.

"With the prospect of or the declaration of war every thoughtful citizen is instantly reminded of the enormous tax burden which is sure to follow for the payment of pensions. The cost of prosecuting wars, monstrous as that is, is small when compared to the aftermath of pension payments. Self-reliant, self-respecting volunteers, patriotic in the best sense of that word, never under any circumstances, will take a pension except in case of dire extremity. The men in all wars waged by the United States of America were supposedly well paid for their services after food, clothing and shelter had been provided, when it is understood that the basis for their enlistment was patriotism.

"Very little was paid in pensions to the veterans of the Revolutionary War or to their dependents. This is probably because of the fact that the men of that day were unusually self-reliant. And no pensions were paid to veterans of the Civil War until nearly twenty-five years after that war was over. But after the wars which followed there seems to have been a steady increase of appropriations to provide pensions for veterans and their dependents. Gradually the soldier vote became more and more powerful as a factor in practical politics and with the favors to be bestowed by Congress.

"The same conclusions are reached regarding pensions that were formerly paid to school teachers and to the employees of the government and certain larger business corporations. At the time these pensions were inaugurated they were applauded as evidence of due consideration for those who otherwise would have become charges upon the community. The direct connection between charity and pensions was thereby illustrated. But with the general prosperity which prevails at this time, it is easy for each individual to provide for his own old age and pensions of all kinds have accordingly become a thing of the past."

"Kindly tell me, Grandfather, something about the pensions that were paid in the old days."

"In the Spanish-American War," replied Mr. Waterson, "fewer than three thousand men lost their lives, most of them by disease. But the pension payments on account of this brief war were up to the last part of the twentieth century, colossal. In the World War it was hoped that a system of life insurance to be paid for by soldiers would obviate the expense and scandal of excessive pensions. But this expectation was realized only in small degree. The pressure upon Congress became greater as time

went on so that in the year 1933 the amount paid to pensioners of all wars reached the huge total of nearly \$235,000,000.

"During the great war loving parents and grateful citizens alike frequently exclaimed that nothing could be too good for the returning soldiers who had offered their lives to their country upon the altar of patriotism. But when these men returned industrial conditions were so bad that vast numbers of them were unable to secure work at a living wage. Poverty, then, was the master force which stood behind the demand for pensions just as it had been at the conclusion of all previous wars; poverty was the responsible culprit. Full credit should be given to the hundreds of thousands of ex-soldiers who stood up straight and refused all pensions. An equal measure of execration should rest upon those who received pensions for disability while at the same time earning good salaries thus giving proof of their being able-bodied men. But the fact remains that, human nature being as it is, most men will justify the taking of money when it is offered to them while others are doing the same thing and particularly when the making of an honest living is unusually difficult.

"However, it must not be inferred that men of today are necessarily of better fibre than were their ancestors of the twentieth century. While the average man today would spurn acceptance of a pension or gratuity of any kind at public expense this is because he is financially independent as a result of the general prosperity which now prevails.

"Any self-respecting clergyman of today would scornfully reject the special favor of reduced railroad fares and other perquisites which were universally extended to and made use of by clergymen fifty years ago. And in that connection it is a matter of congratulation to church members of all denominations that while no tax is levied upon church buildings or improvements of any kind, all churches pay their share of ground rent to the government. This change has come with the abolition of poverty.

"Of course you understand, Charlie, throughout all of this discussion that we do not have today, and make no claim of having, a perfect Utopia. Society has now as always, a certain percentage of flotsam and jetsam, and this is taken care of by commodious accommodations under perfected management. But these dependents upon society are proportionately far less numerous than ever before. And I am sure, Charlie, that you now see clearly how Charity was the twentieth century opiate that put Justice to sleep."

CHAPTER IX

Natural Resources

"Grandfather," said Charles, "from what you have told me it would seem that the problem of land speculation and natural resources was of very great importance in the change made from the old order to the new. It would seem that land monopoly and land speculation were at the very root of the matter notwithstanding the apparent fact that this was not generally appreciated or understood until the middle of the last century."

"Charles," replied his grandfather, "it is one of the marvels of my lifetime that the average man of those days was so totally oblivious to the evils of the social order that you have referred to and which evils are so thoroughly well understood by everyone today. Our forefathers were entitled to the same prosperity that we are enjoying today and might have had it, so to speak, by the turning of a hand. The prosperity of today is no more a miracle than is the use of electricity and other forces in our commercial life which were totally unknown to our ancestors but which, as is now well known, have always been available. The right to the use of the earth has been perceived by thoughtful men of all times and in all places. It has perhaps been even more obvious to the North American Indians and others whom we are pleased to call savages than to civilized man in crowded cities who is more inclined to accept without question the conditions of life which surround him. I have in my library a highly-prized volume entitled, 'The Earth For All Calendar' by Ernest Crosby * and I am sure that you will be interested in reading some of the quotations therein and that you will be impressed with the unanimity of sentiment expressed that the earth which we live upon has been provided by a wise and beneficent Creator for the benefit of all men and that, therefore, its monopoly by a few was not only abhorrent to the sentiment of justice but was of paramount influence in preventing the prosperity which we now enjoy and which is as natural as sunshine.

* Quotations from this book will be found in the appendix of this volume.

"Hard times were explained by economists as being due to the fact that our frontier was gone, notwithstanding that we had at least ten times as much land as was needed. The abolition of land monopoly and land speculation restored our frontier and it is just as effective a resource as was the frontier of old.

"The problem of restoring the right to the use of the earth to all men was, as you know, finally solved by the great reform which has been accomplished during the past half century. In the old days land monopoly was the most potent of all forces for social injustice. Individuals frequently became sole owners of areas aggregating thousands of square miles and a vast system of land tenantry patterned after that of the old country grew steadily up to about the middle of the last century. As early as in 1933 forty-two percent of all farms in the United States were operated by tenant

farmers. The artificial scarcity of land engendered by its monopoly resulted in increasing hardship for the proprietor farmer. Political farmers organized what were known as farm blocs at Washington and these had powerful influence upon legislation. The running expenses of the Department of Agriculture in the year 1933 reached the staggering total of \$250,000,000 while the subsidies paid to hog, corn, wheat, cotton and tobacco farmers during this period ran into immense totals.

"Land speculation was to be found at its worst in the larger cities where choice properties were held out of use for increased values. The allurements of land speculation prevailed everywhere. While the lucky ones reaped great profits from the more favorable locations and in rapidly growing communities, hundreds of thousands of others lost all of the savings which they had invested in real estate sub-divisions and inferior city lots. The billions of dollars formerly so invested are now attracted by legitimate enterprises. And what is still better, building lots are now available to everybody at negligible cost. As may be inferred, the artificial, high price of all land added materially to the cost of everything produced. The final eradication of land monopoly and land speculation has resulted in conservation to the people of great wealth.

"Private ownership by individuals and corporations of deposits of precious and base metals, anthracite and bituminous coal and oil continued well into the last half of the twentieth century. Restitution of these great values to the people upon just settlements was one of the most difficult achievements of the latter part of the twentieth century.

"In the early sixties of the nineteenth century when the government provided homesteads free of cost to settlers there was a clause in many of the land grants which specified that in case of discovery of mineral values upon such land these would automatically revert to the government. These land grants were frequently signed "A. Lincoln." It will perhaps never be known whether there was an intelligent foresight on the part of those who devised that reservation for the government or whether the government officials of that day 'built better than they knew.' At any rate this protection to the commonwealth was soon nullified in common with other measures which gave to mining companies and corporations special privileges not enjoyed in the earlier days. Incidentally, in the year 1934, according to history, the federal government was actually loaning millions of dollars to American farmers on the sole security of land which the government itself had either given to them or to the former owners of that land! The travesty of this seems not to have been appreciated at that time."

"The discovery of coal oil, Grandfather, was made long before your time I believe, but according to my history the development of the oil and petroleum business was one of

the notable accomplishments in your early manhood and I have been greatly interested in reading of the exploits of 'Coal Oil Johnie' and other men who came into fabulous fortunes by the discovery of oil wells upon their land."

"Yes, Charlie, the history of oil production in the United States provides an interesting story and a panorama of injustice. This story involves the looting of the princely heritage of all men by a favored few. Enormous waste of oil and gas was a feature of that day. This perversion of ownership was responsible for the huge unearned incomes of a patrician class that was totally foreign to the ideals of American Democracy.

"One illustration of this is to be found in the annals of the Osage Indians of Oklahoma. This tribe had been given lands by the federal government which were considered to be about as worthless as could be found. Curiously enough and as though in reparation for bad treatment by the government, oil wells of great value were developed on the lands of this people. They were thereby made the richest people in the world. In the early part of the last century the income from oil lands netted about \$13,000 a year to each member holding one of the two thousand two hundred and twenty-nine 'headrights' that were allotted when the tribal rolls were closed. During the years 1925 to 1931 inclusive these Indians received a total of nearly \$100,000,000, something which they had no hand in producing, the gift of God to all men. But this illustration is a negligible item in comparison with the thousands of other similar illustrations to be made in connection with the lucky men of the various oil districts whose personal incomes often averaged over \$1,000 a day from this illegitimate source of wealth. On the other hand credit must be given to these men for that enterprise and financial daring which frequently cost them great losses in the development of dry wells.

"Now that sole ownership has been reclaimed by the government neither individual losses or gains such as formerly were the rule are possible. The government conducts all prospecting and development work under a board of competent engineers, and oil production is carried on with due regard to all of the requirements of that conservation and distribution which the government alone can properly be responsible for. Private operation and management under competitive bids is made use of wherever possible. Strict conformity to the requirements of justice has been the rule at every turn from the old order to the new and as a result of this there are today none who would advocate return to private ownership of natural resources.

"It cannot be repeated too frequently that in the great reform which has taken place requirements of the democratic form have been rigidly followed without any surrender whatsoever to the philosophy of State socialism. Business of every kind susceptible to competition is sacredly preserved to private ownership, the heavy hand

of the government being kept off of every activity excepting those which are essentially natural monopolies."

"But as I understand it, Grandfather, enormous as was the evil of private ownership of natural resources, the greater evil was that of the monopoly of land which prevailed everywhere throughout the length and breadth of the country. From what you have told me this was the giant monopoly which stood in the path and took what was left after the wayfarer had been despoiled by the numerous other robbers. Am I right in this picture of the case?"

"Charles," responded the older gentleman, "a contemplation of the way in which the entire area of the United States was tied up by the grip of land monopoly was appalling to those who understood it at the time and to all that understand it today. Even in the remotest desert land of sparsely settled districts the land was owned by someone somewhere who refused to part with it under ordinary conditions except with substantial profit. The Island of Manhattan, upon which New York City is located, was purchased from the Indians for \$24.00. Four hundred years later many districts on that Island had a selling value of millions of dollars an acre. Nevertheless, by a strict interpretation of equity according to correct principles of political economy, the selling price of that entire district should be no more today than it was when the Indians were paid that \$24.00, and for the good reason that when the government takes all economic rent by what is called a single tax on land values as it does now, there is legitimately no selling price to land. But, of course, there is variation because of the commissions allowable to the landholder who, when sales are made, acts as an agent of the government.

"The question, no doubt, has arisen in your own mind as it frequently does with others, why would it not be just as well and perhaps better if the government itself should be the sole landlord and with no private ownership of land existing anywhere? The answer to this is that by the plan of private ownership of land now enjoyed under the present system, the Government is relieved of an immense amount of business and which would involve the evils inseparable from State socialism. It is far better that land should be held under private possession with the security now afforded and which is in great contrast to the insecurity of the old days when foreclosure sales robbed a large percentage of all landowners of their possessions, and which in many instances resulted in a majority of all farms in certain states of the Union being wrested from their rightful owners. It is true, of course, that at the present time land is sold at a profit over cost, but any appreciable gain is extremely rare, practically all benefits of what is called by economists 'the unearned increment' going to the state for the benefit of all the people who created it instead of going, as was formerly the case, into the pockets of speculators. When at last all taxes were abolished and the

Government commenced to enjoy the full measure of its rightful revenue, it was as though a new continent had been discovered with the advantage of proximity to markets. Land previously held out of use by exorbitant prices can now be had at a nominal figure, possibly five percent of the former price. This subtraction of 'water' from the old selling price of land is, of course, of enormous advantage not only to those who want to use the land for raising crops, but for everyone throughout the country who is desirous of building himself a home.

"Speculation in land and the monopoly of land is no longer a problem, having been automatically abolished by taxation which makes such misuse of land unprofitable. It is difficult for those of the present day to realize to what an enormous extent this evil existed in the last century. As a rule, an area equal to half of the land of every American city was held out of use by those who expected to make a profit by purchase and sale. This, of course, created an artificial, high price of land. This evil was particularly apparent with farming lands. The vast areas of the West and Middlewest were practically given away by the government as homesteads, or sold for a mere trifle to the early settlers. But when the frontier ceased to exist, this produced an artificial scarcity of land. This in turn created an immediate burden upon agriculture and increased the cost of all farm products. A particularly unfortunate result of this was the steady increase of farm tenantry which accompanied the large corporation holdings, many of which covered thousands of acres each.

"In a land easily capable of supporting ten times the population of a half century ago, there was an artificial scarcity which drove settlers away from desirable locations to remote districts far from the markets and where the land had to be cultivated with unnecessary difficulty. This caused our ports of entry to be closed to immigration and was naturally an active factor in causing hard times."

CHAPTER X

The Church

"Now Charles, I want to tell you that these conversations with you are giving me more satisfaction than you perhaps realize. I appreciate the fact that you are interested in the subject and that possibly for some personal reasons you are making a thorough study of the historical period which was covered by the last century. My main purpose in these talks is to give you accurate information as to social conditions of the twentieth century as compared to the conditions which prevail today.

"Intelligent understanding of the evils which were so pronounced in industrial life

during most of the twentieth century should be a guarantee that they will never be permitted to return."

"Grandfather, let me tell you that I do appreciate most thoroughly the time and trouble you are taking to inform me in these matters. Some day I may be able to surprise you with the use that I am going to make of this material. You are certainly to be congratulated in having lived through this most interesting period of our country's history, and what is more important, of having yourself been an active factor in the securing of those measures which finally brought about the great change. Now I am particularly interested in learning what was the dominant force which brought about the change. I suppose that it was the church, Catholic, Protestant and Jewish. I assume that to be the case for the double reason that the church is the one institution which more than any other is devotedly pledged to altruistic services to mankind and because the responsible men of the church no doubt had more leisure to devote themselves to reform measures than had other men of your day. Am I right in this assumption?"

"No, Charles, natural as is your reasoning, the fact is that your conclusion is entirely a mistaken one. Of course the question as to what was the chief agency in bringing about the change from the old to the new order is of little consequence at this time. A natural inference is that the Christian church was chiefly instrumental in this, for Jesus of Nazareth was more of a social reformer than he has been given credit for. But, natural as it is, this assumption will not hold. The Christian church has had its hands full during all the centuries with problems of the individual. It has ever been the greatest of all institutions for personal regeneration and salvation. The first duty of the church is promotion of a right order of life for the communicant, not the community.

"The virtues it inculcates with him are abstinence, charity, faithfulness, Godliness, loving kindness, meditation, mercy, repentance and sobriety. These you will observe pertain to the individual whereas what has been termed by Addison as the greatest and most Godlike of all the virtues, justice, is essentially a virtue of paramount importance in the relations of men to each other and consequently in the affairs of the community or the nation."

"But, Grandfather, is not justice held to be the greatest of all virtues by the church?"

"No, Charles, the salient virtues of the Christian church have been charity, mercy, love and forgiveness, the virtue of justice having been relegated to a position of minor importance. If, as an illustration, a clergyman should be told of two men performing exactly the same measure of work, one a single man with no responsibility for others, the other a father of several children, and if he were asked what their pay should be he

would in all probability say that the father of the family should, of course, be paid at least double the amount paid to the single man, and emphatically so if the young fellow was a scapegrace and the older man one of Godly repute. In thus placing charity above justice, running true to type, he would be quite oblivious to the fact that he had violated the greatest of all virtues, to the truism that an ounce of justice is better than a pound of charity.

"The church has done a wonderful work in its discipline of the individual. But it has left the responsibility of applying the moral code in the affairs of government to the realm of political economy. The church is essentially conservative. It is never to be found in the vanguard of progress. It lives in the past rather than in the future. Its imagination is thrown backward, not forward."

"According to your idea, Grandfather, the typical clergyman is ever focusing his telescope back through the centuries to the panorama of life that was presented by the holy men of old."

"Exactly, Charlie, and the clergyman never tires of relating the commonplace events of the lives of those holy men over and over again. And he is naturally annoyed if asked to swing this telescope around in the opposite direction to face the blank spaces of the unknown future. He is a true conservative, not a pioneer. And this leads me to observe, Charles, that concentration is a splendid thing in any department of life, but that it frequently has the effect of blinding one to things which may be more important than that which is under consideration. Another way of stating the same idea is that a very frequent mistake in life consists in putting the emphasis where it does not belong, in favoring the non-essential instead of the essential thing.

"In the churches and synagogues of today there is sincere rejoicing for the social regeneration that has taken place and a new appreciation of the fact that by economic reforms individual lives are bettered, and the work of religious leaders is, consequently, made easier and more effective. Although many clergymen gave their influence to the great reform these were the exceptions which proved the rule that the church itself was quiescent in the matter. Dr. Edward McGlynn of New York City was one of these exceptions. He became a modern martyr of heroic type. In proclaiming his fealty to Henry George and his philosophy with true chivalry for a great ideal, he deliberately brought upon himself excommunication from his church and the loss of a large and devoted parish. Happily, he was soon afterward justified and reinstated as a priest of his church. Several bishops of the Episcopal Church, prominent Jewish rabbis, together with a goodly number of clergymen of lesser distinction, thoroughly understood the philosophy of Henry George and gave all possible support to it. It may be added that the conventional clergyman of the old days was prone to quote that most

misunderstood statement of Jesus, 'The poor ye have with you always' in excuse for his failure to take an active part in the movement to abolish poverty."

"Grandfather, tell me this, was there discipline in the church which made it unwise for its ministers to take a forward step in economic reform?"

"Decidedly, Charles, there was a saying in those days that 'The present system makes cowards of us all,' and the clergymen were not excepted from this rule. Aside from the fact that their time was well filled with attention to the needs of their individual communicants there was an ever-present discipline of the church which had to be taken into account. There was a tacit understanding that affairs of the community or the Government must not be touched upon by the pastor.

"It should be understood that the conservatism of the church was due to its influential membership rather than to its pastors. Prior to the Civil War and before sentiment in the North for the abolition of slavery had been crystallized, ministers were dismissed by their trustees because they denounced human slavery. This was interference with business. And as a rule the minister was more enlightened and progressive than his congregation. His utterances were constantly curbed by the influence exerted by those of his parishioners who were directly or indirectly beneficiaries of special privilege. In his sermons the minister was consciously or subconsciously influenced by the knowledge that he was running the gauntlet of those who had his fate in their keeping. He very well knew that these men might at any time tell him, in accordance with the old story to 'preach the gospel and leave alone the complicated question of hen-roosts.' This influence might have been related to the army, the navy, the tariff, public utilities, gold or silver mining, coal mines, oil wells, political parties or, most important of all, ninety-nine year leases or other influences of landlordism either in the congregation or in securities of the church held by endowments. It was this influence which was responsible for the conservatism of the church. The pastor must leave politics alone; he must not engage in controversy regarding the mooted questions of state. No fault was to be found with him for this. He was doing good work, but this work was for the salvation of the individual, not the community."

"I suppose, Sir, that the idea of the ministers was that if all men should become good Christians or good Jews, there would be no need of economic reform."

"Precisely, Charles, throughout the agitation of that period which preceded the great change made in our economic system there were clearly discernible two distinct schools of thought. One of these may be termed the purely ecclesiastical school which contended that systems or principles of government were of little consequence and that all would be well if every citizen should become Christ-like in his character and

behavior. Those who held to this idea put a new interpretation into Pope's lines:

'For forms of government let fools contest;
Whate'er is best administered is best.'

Carried out to a logical conclusion it made little difference to these people whether our government was that of democracy, monarchy, state socialism, communism, or fascism, the only important consideration being that of the truly Christian quality of the citizen. This view was, of course, applauded and supported by holders of special privilege.

"The opposing school of thought included those who, while recognizing the importance of righteousness in the individual, nevertheless contended that systems of government were of paramount importance to the commonwealth. Those of this school claimed that if the people of a community were enabled to become prosperous by the adoption of right principles in government the task then left for the church would become vastly simpler. They held that while the Church could save a few from the depths of poverty, corrected systems in government would result in the economic salvation of millions.

"A strange inconsistency was involved in the attitude of those who outlawed discussion of social problems in the church due to the fact that the church was actively engaged in the battle against poverty and should therefore from a rational standpoint be quick to avail itself of every measure that was well calculated to destroy property. Every church had its committee for relief of the poor, its sewing circle for the contribution of clothes to the needy, and other committees which supplied food to the hungry. On a larger scale the sending of missionaries to the heathen involved medical treatment, clothing, and food to those who were to be brought into the fold.

"Thus it happened that the bars which had been set up in the Church against discussion of social problems were gradually removed, and particularly during the last phases of the change to the new order the churches were found to be in full accord with the reform movement and the consistency of support by the churches to a crusade that was based upon justice and righteousness gained for itself undisputed acceptance."

CHAPTER XI Emancipation of Women

"Now, Charles," said Mr. Waterson one afternoon after the two men had settled themselves in their favorite chairs in the library of the old mansion, "I have never

been much of a lady's man in the general acceptance of that classification. Nevertheless," said the old gentleman with a certain emphasis, "I have had what may be called a partiality for the opposite sex of all ages, and if there is one characteristic of a gentleman which I admire more than another, it is chivalry for the weaker sex. You may smile at the inference of our belonging to the stronger sex, for we cannot claim a very high percentage of victories in our contests with women in any department of life. But while the average woman is and always has been able to take care of herself under normal conditions, our civilization sank to a pretty low level during the years of the early part of the last century because of the fact that the average woman was at a tremendous disadvantage in the battle for a livelihood. In those days millions of women who had necessity of work could not obtain it anywhere. Often times they were the sole support of other members of their families. The World War and other wars had decimated the male population. There was in consequence of this a preponderance of women in social life who could not hope for matrimony if they so desired. They were consequently thrown upon their own resources, and in this they were decidedly at a disadvantage as compared to their brothers."

"Grandfather, I am mighty glad that no sister of mine has to face the difficulty in securing work and the low wages which were, according to what you tell me, the rule in those days."

"Charles, if the testimony of the writers of that period is worthy of credence, not only were the women who sought a livelihood from wages or salaries at an economic disadvantage, but they were incidentally subjected to treatment which would indicate that chivalry was a virtue unknown to many of the business and professional men of that day. In previous decades, and particularly in the Southern states where chivalry was a cultivated virtue, many a duel and many a thrashing would have been the result of indignities suffered by women where they were by the force of economic conditions, unable to escape the persecution of men devoid of honor.

"There were two major political movements in the twentieth century which were expected to improve general conditions and particularly the position of women in the industrial world. The first of these, promoted, engineered, supported, and brought to a successful conclusion by women, resulted in the adoption of the Seventeenth Constitutional Amendment which gave women the right to vote. This was, of course, in accordance with the requirements of justice and the democratic principle of equal rights for all. Those who had expected that this would regenerate society, purify politics, or in any way promote prosperity were, however, grievously disappointed. The old political machines continued to operate in the same old way. And it soon became evident that so far as any improvements in industrial conditions were

concerned, the change brought with it advantages that were nominal rather than actual.

"Then came the Prohibition movement, also chiefly supported by women, resulting in the adoption of the Eighteenth Amendment to the Constitution, very widely expected to bring about radical improvement of social conditions. This expectation was also doomed to disappointment. And after an enormously expensive trial of the proposition with incidental expenditure of billions of dollars and sacrifice of hundreds of lives in a futile effort to enforce an unenforcible law, the Eighteenth Amendment was repealed. And it is a matter of history that this costly experiment resulted in no improvement whatsoever in the status of woman in industry.

"It is therefore a matter of deepest satisfaction that after the change had been made from the old to the new order it has been fully demonstrated that at last a real and vital improvement in woman's status has been accomplished.

"Is it not fair to assume that so far as material conditions are concerned that part of the Lord's Prayer asking that the will of God be done on earth as it is in Heaven has in a very large degree been realized? It is hardly probable that most of those who used this prayer in those days had in mind the material advantages which we now enjoy. It is most likely that they thought of spiritual regeneration only. Be that as it may, everyone must appreciate the fact that the abolition of poverty and of the fear of poverty has constituted the greatest reform ever accomplished by man and that the resultant extirpation of disease and all of the other miseries directly due to poverty must be a matter of supreme satisfaction to the divine Father of All.

"There is one class in the industrial world which has perhaps benefitted more than any. other by the change and which was worth all of its cost. The women workers, particularly the younger women of the old era, had the worst time of it. For the reason that human nature is essentially good the condition of women workers in shop, factory, and office was doubtless, in the vast majority of cases, pleasant and at least tolerable. But the very fact that there were millions of unemployed and that single calls for service brought scores of applicants desperately in need of work developed a situation where tyranny was provided an opportunity and where the relative position of employer to employee all too frequently was that of master to slave. The right of employment had been debased to a coveted favor.

"Even though abuses of opportunity may have been rare, the opportunity was ever-present when employment was a privilege instead of a right. There is ample testimony as to the agony of mind caused by those who were forced to choose between submitting to an affront or losing their scanty pay. The very fact of that freedom of

choice which is a condition of human life gave opportunity in those days to men without principle, without courtesy and without chivalry, to take advantage of those who were literally at their mercy. This was the blackest side of the industrial life of the last century. And in the great change that has been made we have more reason to be grateful for the freedom that has come to our young women from the tyranny of poverty which formerly prevailed than for any other one phase of the great reform. Money is the wherewithal. It is a safeguard against physical suffering, it is a barricade against tyranny. No employees today need tremble at the conditions placed before them by employers. Because of the prevailing prosperity alternative employment is always available. Everyone is able to save a goodly proportion of their earnings as a guarantee of their independence. The opportunity for tyranny exercised by brutish employers is now for the first time in history a thing of the past. Incidentally, the percentage of women in all branches of industry is far less than it was in the old days. Women have vastly more leisure at their disposal and now enjoy domestic life in greater degree than ever before."

CHAPTER XII

Early Progress of the Movement

"Nobody understood better than did Henry George the difficulties which lay in the path of his great reform. Said he: 'The truth that I have tried to make clear will not find easy acceptance. If that could be, it would have been accepted long ago.' But no one knew better than did he the self-propelling power of truth. And at all times, never disheartened, Henry George was encouraged by the acceptance which his philosophy had attained to during the eighteen years following the publication of 'Progress and Poverty' up to the time of his death in 1897. As he had prophesied it found: 'friends—those who will toil for it; suffer for it; if need be, die for it. This is the power of truth.'"

"Grandfather," said Charles, during an afternoon conversation in the early spring following the winter of many similar conversations, "you have told me nothing of the activities of the Single Tax movement in the early days which followed the publication of 'Progress and Poverty.' Surely credit cannot be wholly due to the men of your generation alone, for having brought to a successful conclusion the war on special privilege and the battle for economic freedom, that was started by Henry George."

"No indeed, Charles, the history of the movement has evidently been so obvious to me that I have neglected to give you, as I should have done, the story of the earlier activities of the movement. It is undoubtedly true that the most effective work was done during Henry George's own lifetime. 'Progress and Poverty,' phrased in English

of perfect diction, translated into many languages, was immediately given wide circulation in every civilized country. From the pulpit and the rostrum Henry George spoke as one with authority and with unusual eloquence. His progress on a speaking tour through Australia, England and Scotland was marked by a train of Single Tax Clubs and Land Restoration Leagues. Many leading men of England in parliamentary and literary life publicly acknowledged their indebtedness to Henry George for having changed their attitude toward social problems in the right direction.

"Henry George's weekly paper, 'The Standard' was effective in banding together his American adherents and in spreading his philosophy with those who found that paper in public libraries or on newsstands. His followers were created by the endless chain method. 'The Standard' was succeeded by publication of national Single Tax journals and newspapers in various parts of the country. But the publication which did most in an effective way to sustain the movement on a high level was 'The Single Tax Review,' afterwards named 'Land and Freedom.' This was published in New York City under the able direction of Joseph Dana Miller.

"The practical application of Henry George's philosophy could not, of course, be realized until international free trade had been liberated by the abolition of all tariff restrictions. Consequently, the earlier experiments with the Single Tax were limited and did not do justice to the philosophy in its entirety.

"The community of Fairhope, Alabama, across the bay from Mobile, was established and successfully maintained by Single Taxers and in its limited way demonstrated the justice and success of the Single Tax method of assessments. You will find in my library an interesting volume which describes application of the Henry George idea in the Enclave of Tahento in the town of Harvard some twenty miles northwest of Boston and comprising seven hundred and eighty-four acres."

"But, Grandfather, was there no evidence in those days that the philosophy of Henry George was coming to be appreciated?"

"Oh, yes, Charles, there were a great many indications that the light was breaking. In addition to experiments which were distinctive along Single Tax lines there were notable tax exemptions which, while not a part of the Single Tax movement, nevertheless provided illustration of the good results which were to follow all tax exemptions of improvements. One of the most conspicuous of these was the exemption of all taxes upon newly erected apartment houses in New York City in the year 1920 for a period of ten years. This had the desired effect of immediately stimulating an extraordinary number of new apartment houses with consequent lowering of rentals to tenants. And an example of the same thing was furnished in a

still greater degree by the city of Pittsburgh, Pennsylvania, which in the year 1913 established the graded tax plan, in accordance with which the tax on buildings was reduced ten percent every three years for a period of fifteen years, thus bringing the ratio of taxation on buildings to fifty percent of that on land values. The Pittsburgh plan, as it was called, provided tax relief to the majority of home owners in that city and eventually became of effective value in practical education toward the Single Tax.

"The idea of tax exemption was particularly strong in the western provinces of Canada in the early days. In 1911 the city of Vancouver abolished all taxes upon improvements. Other Canadian cities, including Edmonton, Victoria and Alberta, also adopted a plan of making all improvements free, and afterward the city of New Westminster on the coast enjoyed particular distinction because of the freedom there from all taxes upon improvements and the practical application, so far as was possible, of the Single Tax plan. Land speculation being automatically destroyed, building lots in New Westminster were available at only a fraction of the price paid in American cities of the same size and when improvements were made these were entirely tax free. This plan gave universal satisfaction except, of course, to those who wanted to speculate in land, to reap where they did not sow."

"You have told me, Sir, that there was quick acceptance of the Henry George philosophy in other countries where he had spoken and his books had been read. May I ask what countries were prominent in this?"

"The old axiom that a prophet is not without honor save in his own country applied to the experience of Henry George," responded Mr. Waterson. "You see up to the time referred to the American people were comparatively free from the extreme poverty resulting from land monopoly that was being suffered in European countries and the attention of the American people was more intensively applied to the various problems of business than with the philosophy of statecraft. So it happened that other countries were actually getting ahead of us in evolution of democratic principles. In a certain sense we had been 'asleep at the switch.' Australia had the secret ballot which we afterwards adopted and which was, by the way, first publicly advocated in America by Henry George. Switzerland had the Initiative and Referendum. The single tax had, in a primitive way, been advocated in France. England had adopted in a large degree free trade as a national policy. Ireland, had adopted the proportional representation method of voting and there was evidence of a strong tendency toward progressive democracy in the Scandinavian countries and especially so in Denmark.

"Denmark has the distinction of being the first country which adopted as a national plan the tax upon land values together with a limitation of the tax upon improvements. Denmark was an exceptionally progressive country comprised mostly of small

farmers, who commenced in 1902 to demand of their legislature freedom from taxation in accordance with the Henry George plan.

"Australia was conspicuous in the early days for progress along Single Tax lines. The city of Sydney, at an early date abolished all taxes on personal property and improvements, collecting the bulk of its needed revenue by the tax on land values.

"New Zealand was also progressive in tax reform and this was largely because of the personal influence of the Second Governor of these islands, Sir George Grey, who had been deeply impressed upon reading 'Progress and Poverty.'

"In the Argentine, Uruguay and Brazil the followers of Henry George were successful in securing a partial application of their philosophy. While in Germany and in the German territory in China recognition of public ownership of land values was incorporated into law.

"In Chicago a Henry George Lecture Association was established by Frederick H. Monroe and this was a great influence by means of keeping in the field able exponents of the Single Tax, most prominent of whom in the old days was John Z. White of that city.

"The Henry George Foundation, with headquarters at Pittsburgh, Pennsylvania, provided annual conventions for many years at which time leaders in the movement assembled for the purpose of promoting the Single Tax philosophy.

"Another notable factor for the dissemination of the Single Tax literature was the Fels Fund, established by Joseph Fels, a wealthy manufacturer and an ardent disciple of Henry George. Tom L. Johnson, afterwards Mayor of Cleveland, devoted his large resources to the propagation of the idea and was responsible for the publication and circulation of an immense edition of Henry George's book, 'Protection or Free Trade?'

"The Henry George School of Social Science, also in New York, rendered great service to the movement by educating successive classes with thorough instruction as to the fundamentals of the philosophy. These classes were composed largely of New York school teachers. The Manhattan Single Tax Club was of vast service by means of sending out lecturers to schools and colleges and by other effective educational work.

"In New York City the Robert Schalkenbach Foundation was most efficient in distributing a vast amount of literature and in promoting the circulation of 'Progress and Poverty' and other books of Henry George. You will realize, Charles, that as a

result of these various activities a very good preparatory work was accomplished in the old days.

"In reading history you will find, that in nearly every instance vital reforms in the direction of liberty and freedom had their birth and their forward impulse with the poor and not with the rich. It is, of course, easy to see why this was so. When, however, these reforms were well started and understood, they received support from enlightened aristocrats as well as from the masses who were struggling for liberty. Thomas Jefferson was, for example, an aristocrat in every sense of the word and yet he personified more than anyone else in all history the true democrat. He championed the rights of the common people and had absolute faith in their trustworthiness. And throughout the history of the Single Tax movement it will be found that while it had its inception with one who had suffered the pangs of poverty, and while this was undoubtedly the case with the majority of its early adherents, the movement soon made its appeal to the chivalry of all men who were sensitive to the call for justice, many of whom had never known poverty in a personal way. These men passed away long ago. Nevertheless it would be unfair to name the leaders of them now as such a roll of honor would most certainly omit a goodly number whose names should be included in the list. However, I must mention the names of a few of the more conspicuous of the leaders in the movement as these were indelibly impressed upon my memory when I was just about your own age.

"Count Leo Tolstoy, a Russian nobleman who in his day was regarded as one of the world's great men, was an ardent supporter of Henry George and his philosophy. Louis F. Post, author and statesman, was a loyal lieutenant of Henry George and spoke for him and his philosophy with more authority than any one else in his day. William Lloyd Garrison, son of the liberator and a man of learning and culture, was president of the Massachusetts Single Tax League and a strong supporter of the movement in its early days. Tom L. Johnson was said to be the 'good angel' of the movement as he gave liberally of his great wealth to it. Besides the group of loyal friends in San Francisco who made the first publication of 'Progress and Poverty' possible there were eminent men in every department of activity whose names cannot be recalled now but who in the aggregate constituted support for the movement that was far stronger and more effective than was realized at the time. They had been given a vision of the Golden Age which was to come by conformity to natural law."

CHAPTER XIII Prosperity Achieved

"Grandfather," said Charles one day, "you have been very patient and very kind in

telling me all about the conditions which existed in the old days and the influences which have led to the adoption of the present system with consequent prosperity. It occurs to me that you could not possibly have anticipated the tremendous change which has taken place as a result of the remarkably simple means employed."

"On the contrary," returned the older man, "Henry George himself and those who came to understand his philosophy envisioned a changed world, a new civilization not a whit less prosperous than we now enjoy. As I have told you before, there has been nothing of magic or the supernatural in this change. It has all come as a result of conformity to natural law. Those of us who in the old days were privileged to understand this philosophy of a perfected democracy were often tolerated in the language of that day as well-meaning cranks. One of the noted clergymen at that time stated that every true reform has a 'fringe of lunacy.' And it is no doubt true that the forward movement of the good cause was retarded by misdirected efforts of some of its advocates. No special credit should be given to those who were effective in bringing about the great change. It is probable, however, that nothing would have been done in this direction during the present century had it not been for the discovery by Henry George of a hitherto unknown natural law and the effectiveness with which he presented it to the world. Gratitude is ever an admirable virtue and this is now everywhere accorded to him for this great service to mankind.

"The natural law which was discovered by Henry George and which is responsible for the prosperity enjoyed today is now understood and recognized for its potency by everyone. As a young man I felt it to be true, and at the present time I am more strongly than ever convinced that it was true, that the neglect of responsible men then to grasp the significance of this natural law which Henry George had made so clear and had demonstrated so effectually indicated an attitude of mind that was little less than atheism. And those American Colleges which neglected to teach sound political economy were chiefly responsible for this. Their rejection of this great and obvious natural law delayed unnecessarily the advent of that prosperity which we now enjoy.

"In the old days those advantages which resulted from improvements of all kinds in the efficiency of human labor and transportation were absorbed chiefly by land values and through the monstrous system of taxation then in force. Today, as you know, Charles, every such advantage in the production of wealth is for the general good of all with the practical result that the scale of wages and salaries is steadily and continuously raised year by year. It is counted upon as an absolute certainty that everyone's earnings will, other things being equal, be greater each year than they were the year before."

"In my reading, Grandfather, it appeared at the time we are considering men who

called themselves 'technocrats' assumed that labor-saving machinery was the inexorable cause of unemployment and that the only alternative was to reduce the number of hours of work per capita until the slack of unemployment was taken up. How about this?"

"That not only was the custom of technocracy, Charlie, but was the constant contention of the union labor people and strangely enough of the economists of that day. Those men had no conception whatsoever of the illimitable demand for labor which was to be liberated by the great reform. You see, Charlie, it is ever true that none are so blind as those who will not see.

"In the old days it was commonly stated that while the machinery of production had been highly successful, the fatal weakness in the industrial system was that of bad distribution. The very word 'distribution' suggests the kindly act of an almoner. There was, as a matter of fact, nothing wrong with the method of distribution employed excepting as it was effected by a bad system of taxation. The difficulty rested entirely with inability to buy, in other words, in the prevailing poverty of the masses.

"Prosperity is the logical result of natural law when unhindered by stupid man-made laws. This is the crucial fact which was not understood and was therefore ignored by publicists, labor unions and legislators in the old days. They vainly sought artificial ways and means to produce prosperity instead of which they should have simply removed the barriers which stood in the way. Prosperity only needed to be liberated, not artificially promoted. This is all fully covered by the histories of that time which we have here in my library and which record a pitiable substitution of nostrums and paliatives for the remedy, which at that time was not recognized. Apparently the plan most commonly urged to provide labor for the unemployed was that of reducing the number of working days in the week and the working hours in the day. It was seriously maintained by the economists of that day that this was the only way in which the slack of unemployment could be taken up. That argument was based on the false premise that there was only a fixed amount of work to be performed requiring a limited number of hours for its performance and consequently, in order to give everyone a chance, the number of hours employed must be prorated! I do not have to remind you, Charles, that that fallacious assumption was abandoned long ago and that now it is fully understood that with the natural opportunity to create wealth, which is every man's birthright, it has been found that a very large proportion of men prefer to devote eight and even ten hours a day to their work six days a week for the greater reward of the greater income and to enable them to retire from all labor, if so desired, at an early age.

"It was assumed in the old days by nearly all the labor leaders and by the public generally, that a working man could not work over-time without robbing his fellow-worker. It is now well understood that in creating a fortune for himself and by his own labor, every man benefits the commonwealth with disadvantage to no one. In the old days it was assumed by superficial minds that there was an over-production of nearly everything, whereas actually there was an enormous need of and consequently a demand for supplies of all kinds which had to be denied because of inability to purchase. The real trouble, therefore, was not over-production, but under-consumption.

"Dumb animals want but two things: food and shelter, nature having already supplied them with clothing. Man, on the other hand, is an unsatisfied animal. His wants are limitless and it is only the limitation of his own purchasing ability which prevents the gratification of all those legitimate desires which his imagination may suggest. Bearing this fact in mind, we can visualize a community of the old days with a paralysis of activity in every branch of business and industry while at the same time there existed an unsatisfied demand for goods and services which would have immediately brought great prosperity to everyone in the community had the purchasing power been liberated.

"Well, Charles, it is there that we have the whole thing in a nutshell. The unnatural barriers to prosperity have been removed. Every one of the numerous taxes constituted an effective impediment to progress in those days and when these taxes were multiplied thirty, forty or eighty times, the paralysis of trade became general.

"In the days when you were young, Grandfather, business failures appear to have been very frequent and naturally must have been a great burden upon all concerned. Why were there so many business failures?"

"Business failures, Charlie, were simply a part of the general distress that was caused by the monstrous system of taxation then imposed. In some cases, of course, failures were due to bad management, bad judgment or dishonesty, but by far the greater number were suffered by men whose judgment was good and whose characters were good. They were simply the victims of an unnatural social order. But the excessive business mortality experienced in the old days is a thing of the past. With the abolition of all taxes, except that upon land values, in this new era of prosperity it is very rare that failure comes to those who proceed with ordinary caution. Indeed, success is so generally assured that capital is much more freely invested in suitable buildings and the stocks of merchandise than was possible in the old days. Failures and bad accounts in the old days caused a heavy expense that is no longer added to the cost of

merchandise and service.

"While the merchant in former times when borrowing needed capital for his business was compelled to pay an interest rate of six, eight and even ten percent, the greater security which now prevails has reduced the ordinary rate of interest to not more than three or four percent. This, of course, means a great saving in those branches of business where large amounts of borrowing is essential. And it is interesting to note that while all salaries and wages are very much higher than in the old days, the greater volume of trade and the entire absence of what used to be denominated as 'bad times' has resulted in very much lower prices than those of former times. Of course the greater credit for this is due to release from those excessive taxes which formerly were of paralyzing effect."

"But, Grandfather, inasmuch as our cities have for the most part been rebuilt during the last fifty years, it seems to me that this must have entailed a new burden that would fall heavily upon the people at this time."

"The answer to that, Charles, is that wages and salaries being many times what they used to be for the same service rendered, the increased cost of new homes has been easily taken care of.

"Students of history who are familiar with the architecture and the housing arrangements which prevailed until after the middle of the twentieth century, are impressed with the great change that has been made in this important department of human life. All cities and towns have been practically rebuilt since then. All buildings, with few exceptions, are now air-conditioned, so that the temperature within their walls varies little between summer and winter. Streets have been widened, and new facilities for automobile traffic have been supplied. All buildings, being tax free, have expanded accordingly. Every home has ample space about it and unsightly vacant lots have given way to improved private properties and public parks. A decided change away from congestion and towards independent homes in the country is a marked feature of the new order. A new network of improved highways covers the entire country and railroad grade crossings are abolished everywhere. While the activities of government have been greatly reduced, there has at the same time, been a marked increase in the number and importance of co-operative enterprises, such as bakeries.

"Residences cost very much less than they previously did, other things being equal, because no material going into a house is taxed in any way. Furthermore, the cost of building lots is merely nominal, being a small fraction of the prices which were paid in former times. Thus, practically all of the investment previously made in land may now be saved or added to the improvement of the building. However, nearly every

residence built in recent years is far superior to those of the old order. The average cost of dwellings is naturally much higher than it was a half century ago. But as the wealth of the average citizen is far greater than it was at that time, the difference in cost is easily taken care of. Correspondingly, lower cost for better service is enjoyed by tenants of all classes."

"All right, Grandfather, here is another poser for you: how about the enormous cost of schools and colleges which must have increased considerably since the old days, so many beautiful new college buildings having been erected and no bequests now being received from multi-millionaires for that purpose?"

"Well, Charles, as you know certain improvements in educational facilities have taken place in the continuous advance of the last half century. Our leading colleges are no longer endowed by those who have profited by special privilege and, who by reason of those endowments, were able to influence the teaching in those institutions. Specifically, the science of political economy is no longer perverted, but is now taught as a vital and practical science to which our civilization has conformed. As a matter of course we have no beneficiaries of special privilege at the present day. Formerly these were enriched by the protective tariff, by public utilities, by the ownership of oil wells and deposits of base and precious metals, and most important of all, ground rents, all of which have now been reclaimed as public property. New departments of public education have been created for the special training of graduates and there are many new private schools brought into existence to supply special needs. Notwithstanding general improvement all along the line it is a noteworthy and somewhat surprising fact that the young men in particular leave school or college at an earlier age than formerly, being attracted by business opportunities which are now abundant at all times. Needless to state, the remuneration of school teachers is far better than it ever was before but as in all departments of industry, pensions have been abolished as no longer necessary."

"Another question right here, Grandfather. Biographies of great men so frequently inform us that they had the advantage of but little schooling. May it not be the case that these men were better off for having gone to work at an early age and that the same procedure would be best for many others at the present time?"

"Possibly, Charles, for the biographies of great men, as you say, frequently testify to the attainment of their greatness in spite of little, or indeed, no schooling. The question naturally arises as to how the time of youths in their teens should be spent. It may be possible that if Buckle, who is said to have had no schooling whatsoever, Franklin, Lincoln, Henry George, and Pupin, all of whom had very little schooling in the classroom, had been put through the conventional training of high school and

college with the inevitable molding of their plastic souls into the uniformity prescribed by tradition and precedent, we should never have had the brilliant, many-sided Franklin, that masterpiece, Buckle's 'History of Civilization,' the sublime soul of Lincoln which has fixed his name in history as that of our greatest American, Pupin, with the contributions which he has made to electrical science, or Henry George, whose great heart and intellect gave birth to the philosophy which has completely changed the standard of our civilization. It is indeed possible that at least a certain proportion of the rising generation should be left to develop their own education while engaged in some useful work and with the greater freedom to think, to wonder, to invent, to discover, to create, in short, to cultivate their innate faculties individually and to better advantage than would be possible if regimented in the standardizing processes of high school and college, than to have their minds stuffed with pre-digested conclusions of conventional thought. For it is a human frailty to take authority for truth instead of taking truth for authority and when once the youth is regimented into the uniform molds of college influence he is prone to accept the conclusion of others as his own.

"In any event this problem has received serious attention from educators of our present day, and whether as a result of suggestion or by natural selection, the attendance in our schools and colleges of young people, ages of thirteen to twenty, is proportionately very much less than was customary a half century ago, while a fuller attendance is to be observed in ages above twenty-five of those who have been attracted by the opportunity for advanced learning rather than by the attractions which appealed to the callow youth of the twentieth century. This does not mean that there is any less appreciation of learning or of culture than there used to be. On the contrary, our schools and colleges are far more effective for education than were those of my boyhood days, and it is particularly noteworthy that our public libraries have been improved in far greater degree than could have been imagined before the new era came in. It is quite possible that the noticeable change in school attendance may have been influenced by the truth that was expressed by Benjamin Franklin when he said: 'A strong mind needs no schooling to develop it and a poor mind is not strengthened by study.' We cannot too often revert to the fact that the schools and colleges in the early part of the last century were overcrowded not because of any new and remarkable thirst for knowledge but more often because of the social advantages supposed to be involved and because of the pitiable lack of opportunity for constructive work at living wages in the business and professional world."

CHAPTER XIV
Prosperity Achieved
Continued

"Speaking of schools and colleges, Grandfather, you have made it clear to me that there must have been a tremendous influence in those institutions, which were endowed by the rich men of former times, against economic reform of any kind which might have interfered with the special privileges enjoyed by those philanthropists."

"Yes, Charles, the young men of today who have been liberated from that influence cannot possibly appreciate the prevailing power of conservatism which was exercised by nearly all the halls of learning over the rising generation in those days. Thus did conservatism barricade the natural course of progress and hold back changes urgently needed. As late as the year 1935 there were in common use as text books in high schools and colleges publications which had actually been prepared by agencies of what were at that time called the power trust and associations of realtors. These were supplemented by gratuities and even salaries received from those same interests so that the teaching given to the youth of that period was largely tainted by perversion of the truth in favor of those interests which dominated industrial and political life. Certain organizations fought against this influence but the assumption that what was everybody's business was the business of no one in particular, seemed to prevail and the easy-going nature of the average man of that period was responsible for the complacent acceptance of conditions which today would be regarded as intolerable. The lowest depths of ignorance in economic laws was apparently reached in the early part of the last century when a so-called Brain Trust composed of college men representing the economic thought of that time put into effect a governmental program composed of fantastic measures at enormous expense to the public in a vain attempt to circumvent natural law by artificial means.

"Under those circumstances it is natural for you, Charlie, to inquire how it happened that after all, so radical a change was made within two-thirds of a century. The answer is that there were at work in every substantial community of the country men who had a vision of the future and who, therefore, continuously devoted all possible effort to the promotion of those changes which eventually brought about the present era of prosperity. It was their influence which finally leavened the thought of the nation. It would perhaps be more accurate to state that the power of truth itself was at work in accordance with the old saying: 'There is a divinity that shapes our ends, rough-hew them how we will.' Human nature is good, it always has been good and it cannot be too often stated that where the people are fully informed the voice of the people is the Voice of God, provided always the people are intelligent and well informed. We are able to trace the beginnings of influences originating in many parts of the world like rivulets which in the course of time become mighty currents sweeping away all opposition. Had this progress depended upon doubtful experiments not based upon truth no progress would have been made.

"And it must be remembered that while progress in fundamental democracy was steadily being made there was at the time an immense amount of propaganda expended in the promotion of socialistic and other experimental forms of government which had great effect in delaying the ultimate change from the old to the new order. Privilege dies hard. It had the advantage of wealth and unlimited resources with which to influence public opinion and legislation. The change finally accomplished could have taken place nowhere else but in a democracy and its complete success has forever established democracy as the best of all forms of government."

"You have told me, Grandfather, that notwithstanding the fact that the population of the country has more than doubled within the past one hundred years the cost of government has been very materially reduced. How can such a thing be possible?"

"In the first place, Charles, the cost of government in those days had increased by leaps and bounds before that fact was generally realized. During the decade of 1926-1936 an enormous army of new governmental employees had been created to take care of numerous bureaus provided for every conceivable regulation of human activity. And it was only after the people of the country realized the enormity of this program with its disastrous expense of maintenance that an initial step to the great change was made.

"The principal items in the reduction of cost of government may be stated as follows and it is essential that you should give to each of these the importance which it deserves: first, restoration of the government to a democratic basis. This involved the abolition of a ponderous army of officials connected with hundreds of bureaus including those formerly connected with the internal revenue and customs service. Second, reduction of the cost of Congress consequent to its smaller membership and a change from two legislative bodies to one. Third, the cessation and abolition of all pensions. Fourth, saving of interest due to payment and consequent extinction of the national debt. Fifth, reduction of army and navy to a police basis. Sixth, transfer of the diplomatic service to the consular service. Seventh, abolition of the Departments of Agriculture, Labor, and Commerce. Eighth, elimination of political postmasters erroneously designated as first-class postmasters. The total expense of government thus saved amounts to billions of dollars annually.

"Congressional sessions are now much shorter than they were because of the elimination of large issues such as those of the tariff, pensions, farm relief, and other special privilege legislation, together with entire relief from the importunity of office seekers and lobbyists. Under the reign of democracy with the self-reliance and independence of the citizen, it has been made difficult for the citizen to assume the

position of a mendicant and so to receive anything in the nature of a gratuity from the government.

"The removal of so great an army from the public service and its immediate absorption in productive work added so greatly to the public wealth that the huge public debt existing half a century ago has been steadily reduced in accelerating degree. The public debt is now practically wiped out. Moreover, the European nations which felt that they were compelled to repudiate their war debts to this country, largely because of our protective tariff have now settled those debts on a basis satisfactory to all concerned.

"Reminiscent of the old days it may be of interest to you, Charles, to recount that in the decade of 1926-1936 there were established numerous 'alphabetical' bureaus for the purpose of distributing public money in exchange for more or less artificial and fruitless labor performed by the army of otherwise unemployed men and women. No doubt such employment avoided mob violence and demands upon the Government for food, but the entire program involved a new army of government officials now happily non-existent. It was popularly expected that those experiments of government would lead to recovery of business, but they were found to be palliative only. They baled the boat but did not stop the leak. On the contrary, they created new leaks. Nothing of a constructive nature was adopted or even suggested by the Government. Political economy remained, not only the dismal science, but so far as the evidence shows, an entirely unknown science.

"The truism of democracy, 'That that government is best which governs least' has dominated every step leading to the new order and it prevails today as never before.

"It must be remembered that in the old days, there was reluctance to reduce the number of public servants, including enlisted men, or to admit immigrants from abroad, because of the unnatural overcrowding in all callings which was steadily adding to the army of unemployed. For at that time the country could easily, under a sane system of taxation, have sustained ten times the then existing population.

"The explanation of the steady progress achieved in the reform movement lies in the old adage that 'nothing succeeds like success.' Every shift in the incidence of taxation away from capital and labor and to ground rent produced results so conspicuously satisfactory that they led automatically to further steps in the same direction.

"It must be kept in mind that during the whole period of reconstruction, no taxes of any kind were paid by the citizen. No taxes were levied directly or indirectly against any activity or product of capital or labor. The entire revenue collected was from

economic rent, the rental value of land. This, in 1935, was calculated to be approximately \$14,000,000,000 annually. Today it is well in excess of \$30,000,000,000 and is increasing steadily."

"Do I understand you to say, Grandfather, that notwithstanding the greatly increased prosperity of the country the government at Washington has been simplified and its running expenses reduced by seventy-five percent?"

"That's the truth, Charles; probably the most surprising contrast to be observed in the change made from the old order to the new is between the expense of the government then and now. In the early part of the twentieth century the expenses of government were permitted to grow to such a degree that one might easily suppose that at that time a nation of a billion souls was being served instead of only one hundred and thirty-five million. New departments and bureaus had been added at a bewildering rate until the very magnitude of the excess precipitated its downfall. The Departments of Agriculture, Commerce, and Labor which had attained to monstrous growth and expense at that time have now been practically abolished. A limited information service is provided to farmers, but agriculture has been placed on a par with every other industry and the enormous subsidies given to agriculture in the old days were abolished in the year 1937."

"May I ask you, Sir, what were the reasons or excuses for those enormous subsidies that were paid to farmers?"

"This, my boy, is indeed a question which has long challenged the minds of students of history. I think I can answer it for you: In the first place, the prevailing theory was that agriculture was the one essential industry which sustained our entire population. It was argued that agriculture must be made to be prosperous at the expense of the rest of the nation and at any cost. This assumption was, of course, absurd. Farm products were protected by a high tariff which prevented free entry of agricultural products from Canada, Mexico, and other countries. This would naturally have resulted in steadily decreasing prices of farm products and would have done so but for the monstrous system of taxation then in effect. The right combination is, of course, large incomes and low prices but in those days the government did everything possible to artificially increase the prices of farm products to the consumer. For improvements in farm machinery and agricultural implements had multiplied many fold the efficiency of labor. Farmers should have been, of course, amenable to the laws of supply and demand and have gone into other occupations when they found their own overcrowded, just as men do in every other department of industry and professional life. But it was constantly claimed by those whom we may designate as political farmers and who constituted the powerful farm blocs at the seat of government, that it

was the first duty of government to make the farmers prosperous and that this prosperity would flow directly from them to merchants and to manufacturers. Perhaps, however, the real explanation of these subsidies to farmers was the promises made to political farmers in party platforms and by presidential candidates, which in obedience to the principle of gratitude, were thereafter translated into legislation. Fortunately for us those subsidies are now a thing of the past and there is now no single branch of industry which benefits by any special favor of the government.

"The Department of Commerce, with its multitude of expensive buildings, became a national burden in its vain attempt to promote foreign trade while at the same time tariff walls were inconsistently maintained around the country. Its service has now been limited to securing and supplying statistical information, and at a nominal cost.

"The Department of Labor was abolished entirely long before the middle of the last century. This branch of the government was palpably a sop to organized labor in the first place and became conspicuously so during the years 1933-1936. Ever since the abolition of all taxes upon industry there has been little excuse for the existence of labor unions and the great expense of those unions is now saved.

"It is interesting to note in connection with the practical abolition of the three Departments of Agriculture, Commerce, and Labor that these were brought into existence and into their mighty development because of the political power behind them. All three of these departments owed their existence in a large measure to powerful lobbies in Washington. These lobbies occupied whole floors of office buildings. The farm blocs and the labor blocs were supposed to represent immense voting strength and the politicians of both parties in obedience to the first law of Nature were quick to respond to the demands made upon them by these lobbies. There is no other way to account for the subsidies and special privileges which were given so lavishly to agriculture and labor during the period which ended in 1936. The violent labor troubles of that period were unquestionably a direct result of the special encouragement given to the labor unions under what was then called the New Deal.

"It is a matter of record that the experiments made by the government during those years in a vain attempt to promote national prosperity, were backed by support of a majority of the people. At least this is indicated by a total vote of nearly 2,000,000 ballots collected by a literary magazine in the year 1934.* This indicates clearly that there was not at that time any intelligent comprehension concerning the causes of the industrial depression and the right way of deliverance from it. The chief executive was looked upon as a Moses to lead the nation out of the wilderness, and he was given autocratic power to make use of any experiment which he thought might help the situation. The very fact that his patriotism and integrity were unquestioned made it

easier for the legislative branch of the government to relegate the entire responsibility into his hands. It is difficult for us at this time to understand the general ignorance concerning the principles of political economy which then prevailed and particularly in view of the fact that within a comparatively short time afterwards correct principles came to be understood and adopted with consequent introduction to that prosperity which we now enjoy. When wrong systems of government are given popular support, the truism that 'the voice of the people is the voice of God' may naturally be questioned. The explanation is, of course, that the will of the people must rest upon an intelligent and unprejudiced knowledge of the problem in question before their verdict can be considered to express the voice of God."

* Two years later, by similar poll, that verdict was reversed.

"You will pardon me, Sir, but there was one institution in the old order that puzzles me more than anything else. How could the men of that day voluntarily sustain a system of tariff taxation which avowedly kept wealth out of the country, thereby adding to existing poverty and at the same time preventing the demand for our own exportable products in exchange. Furthermore, if I understand the system correctly the tax which prevented imports enabled domestic manufacturers to charge excessive prices for their products. Where protection for American manufacturers was secured, this must have been done at an enormous cost to the American consumer, and where revenue was the object this was collected most uneconomically and with violation of the rights of citizens in a supposedly free country."

"Your conclusions in regard to that matter, Charlie, are entirely natural and there were many in the old days who reasoned as you do, but you must always remember that possession is nine-tenths of the law and that a large proportion of every people prefer to continue in force any institution of government however unjust rather than to advance into untried and unknown conditions. Then, to, you must remember that protected interests maintained at Washington the most powerful of all lobbies. Nearly all large protected corporations had at least one senator and one or more congressmen who could be counted upon to protect their interests at all times. And it is only fair to state that these corporations were clearly entitled to defend their interests when they were discriminated against in any proposed legislation. Free trade is, of course, the only possible guarantee of justice to all concerned. I myself have heard the question put to the president of a large corporation, 'Who is your senator?' I am sure that this will indicate the strength of the opposition to the demand for free trade. But the demand steadily grew and, as you know, was at last successful in overthrowing the most iniquitous system for collecting revenue ever devised by man. One of the very best features of the new order, Charles, is the unrestricted commerce with the entire world which we now enjoy. This has proved to be of surprising advantage in every way.

"In our markets today is a wealth of merchandise imported from abroad with far greater economy than it could have been produced at home. For the Creator has given certain advantages to every people not enjoyed to the same degree by any other. Every country is God's country. Free trade has been found to be the only plan which gives equal advantage to all with special privilege to none. 'Live and let live' is a principle for decent nations, as well as decent men, to observe at all times.

"By opening our ports a new measure of prosperity has been given to all nations and this in turn has created a new era of good will and fraternity everywhere. As a natural consequence of this other nations have followed our example with resultant advantage to themselves and all others. It has amounted to a permanent guarantee of peace with all the world. This fact more than any other was the deciding influence which led to the reduction of our army and navy forces to a police basis. The customs service, as you know, is now limited to statistical purposes and the exclusion of deleterious or otherwise undesirable imports. While certain protected industries ceased to operate, these have been few in number and of far less consequence than was generally expected. Compensating the loss of protected local industries has been the reestablishment of scores of others which had formerly been expatriated by the protective tariffs of our own and other countries.

"An advantage of free trade which was not generally anticipated has been the elimination from congressional proceedings of the perennial tariff question. Not only has an immense financial saving been effected thereby, but it has automatically removed from Washington one of the most powerful and corrupting lobbies. The removal of the tariff question as a football in politics has provided more time for consideration of legitimate legislative problems and has made easier the substantial reduction in the number of congressional representatives.

"It must not be supposed that securing free trade was an easy matter. As late as the year 1935 both political parties supported the highest protective tariff wall in all history. It rested upon a strong, if specious, patriotism. In those days it was not understood as it now is that rates of wages depend entirely upon the law of supply and demand regardless of tariff duties. Another obvious fact was also overlooked; namely, that international trade like any other trade enriches both parties equally and that interference with such trade is not only unjust but stupid. Why, it was asked, should we permit foreigners to trade with us, especially when millions of our own people are unemployed? The opportunity for labor was regarded as a fixed privilege not to be shared in any way with foreigners. Had the American flag been raised over the Dominion of Canada or the Republic of Mexico free trade over the entire area would have been accepted without question and for the undisputed benefit of all concerned. Indeed, the little brown men of the Philippines, thousands of miles away but classified

as American citizens, were given the right of free trade with us. But should this right be given to the hated foreigner? Never! To make a long story short—American tariffs are now a thing of the past and there is not the remotest danger of their ever being restored."

CHAPTER XV

Philosophy of Henry George

"The philosophy of Henry George from all that you have told me, Grandfather, what I have learned from reading history, and from personal knowledge, which for want of a better name was called the Single Tax, has at last become a practical reality. I now understand that this philosophy harmonizes perfectly with the democracy of Thomas Jefferson and that it has come into general favor through the process of eliminating one by one those taxes which were found to be bad, accompanied by gradual appropriation of economic rent, the revenue which was demonstrably intended by a wise and beneficent Creator to supply the needs of society. This much I have learned and fully understand, that when Henry George made his great discovery of a natural law previously unrecognized and when he realized its potency for human welfare he was overwhelmed with the significance of this discovery: it gave him a new faith in God. For he had come to understand that poverty existing in a world of plenty was a contradiction of Nature's plan, the natural way was that which led to prosperity."

"Charles," responded his grandfather, "you have learned your lesson well. Great things are always simple in their nature and the reform which we have been talking about is no exception to that rule. Think of it I All that was done was to eliminate that which was bad in the old system of taxation.

"This process of eliminating the bad from established usage was in accord with sound common sense. It was in harmony with a passage in Buckle's 'History of Civilization,' a favorite of mine. I will read it to you: 'Every great reform which has been effected has consisted not in doing something new, but in undoing something old. The most valuable additions made to legislation have been enactments destructive of previous legislation; and the best laws which have been passed have been those by which some former laws have been repealed.'

"Incidentally, what a fine thing it would have been, Charlie, had every legislator become familiar with the truth of Buckle's observation. It might have resulted in the abolition of tens of thousands of obsolete laws that were technically in force in every state of the Union and which therefore amounted to just so much rubbish and waste.

"But returning to the story of the great change which has taken place, I cannot do better than to read a few lines from Thomas G. Shearman's book, 'Natural Taxation.' Mr. Shearman was an eminent lawyer of New York City, highly respected in his day both as an economist and as a jurist, and he was one of the early supporters of Henry George. I have always particularly admired his contention that just as Nature has anticipated the need of all living animals for food Nature has likewise anticipated the necessity of communities for the equivalent of food, public revenue. The following lines are from the first chapter of Mr. Shearman's book: '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. *** Just as certainly as the existence of the body implies a science of food, the existence of human society implies a science of taxation. For society and civilization, the value of which is beyond all computation, cannot exist without government, and government cannot exist without taxation. If there is any real social science, that science must include all things which are essential to the existence of society. If it is true that taxation is necessary, that it is, upon the whole, productive of good, even under its present chaotic conditions, and that it does return an equivalent to society, does it not follow that a thing so necessary and so naturally beneficial can be brought into harmony with natural laws and organized upon a basis of principle? *** Bad taxation is as certain to produce bad government and bad social conditions, as is bad food to produce indigestion and decay in the human body.'"

"Thank you, Grandfather, that fits in exactly with the conclusions which I have had in my mind for some time, and as I have said before, it certainly puzzles me to understand why a philosophy so reasonable and so just was not adopted long before it was. And I am going to ask you kindly to tell me something of the progress that was made in the presentation of this philosophy from the early days until it was finally accepted as the right basis of government."

"Well, Charlie," responded his grandfather, "there was nothing spectacular or sensational in the gradual evolution of our present system of taxation. After all is said, we have to realize that truth is always self-perpetuating while error embraces within itself the elements of disintegration. Henry George fully understood this. He never was concerned about the ultimate triumph of his philosophy. He no more claimed originality for the natural law which had been revealed to him than did Newton claim credit for the law of gravitation. In both cases it was a discovery made as a result of scientific research, the one in physical science, the other in the science of political economy.

"You must remember that the force of conservatism is tremendous when considerations of property values have to be taken into account. Prejudice is strong,

and so it happened that every step of the way from the chaotic condition of taxation, which we may safely assert came to a climax between 1926-1936, to the present time witnessed a succession of battles against a wrong system which the younger generation of today can scarcely understand.

"In my boyhood days trading with other nations was treated as a crime and penalized accordingly. Commerce is and always has been one of the greatest factors for the production of wealth besides being of immense service in producing good will between nations. Commercial travelers abroad are effective missionaries and cost the churches nothing. But the protective tariff system was based upon the idea that it was advantageous to sell to others but most unfortunate to have to take anything excepting gold in return! If more riches came into the country than went out, this was called an unfavorable balance of trade! Of course this was characteristic of a narrow provincialism and, curiously enough, it was reflected locally in those states, counties, and even villages where the idea prevailed that no money should be sent away from home if by any possibility it could be expended locally. Happily that idea is now a thing of the past, for everybody understands that where there is no division of labor, where every man provides his own food, clothing, and shelter, we revert to barbarism. And coincidentally, where there is the greatest division of labor as a result of free commerce with all the world, this conduces to the highest civilization and the greatest economy.

"Under the old system the building of a residence was immediately penalized by the assessors while owners of vacant lots in the same block were benefited by that improvement without having to pay additional taxes.

"It is difficult at this time to realize the extent of taxation which was imposed upon capital and labor in the old days. This consisted of scores of separate taxes, each one a burden, and in the aggregate constituting a crushing incubus responsible for the recurring business depression of those days. It would be tiresome, Charlie, for me to enumerate in detail all of these taxes. It is better to forget them. They constitute a monument erected to the stupidity of previous generations which is not edifying to contemplate. "It is related that when William Lloyd Garrison, 2nd, came to understand and to accept the philosophy of Henry George he advised Mr. George of that fact, adding: 'But I do not think that the Single Tax will cure all the ills that society is heir to.' 'Nor do I,' responded Henry George, 'but freedom will!'"

The Winter and Spring of that memorable year had passed and early Summer had arrived. Charles Waterson was soon to leave his grandfather's mansion to return to his home. He rightly concluded that this Winter especially had been a liberal education for him. One afternoon of late June as these two men were seated on a garden bench

facing the lake the younger man said to his grandfather. "If I am not imposing upon you too much may I ask you to kindly complete the story of the great reform which you have given me by recapitulating in brief form the problem which challenged Henry George and the solution of that problem as it was embodied in the statement of the Single Tax at that time."

"Nothing could give me more pleasure, Charlie," replied Mr. Waterson, "I am never tired of reverting to that subject for my experiences in the reform movement constituted the greatest joy of my life, excepting, of course, the union with your dear grandmother."

"As stated before the whole proposition was as simple as simple could be. And yet it involved so much that volumes failed to state all that might have been related concerning the various phases of the question. However, the problem that had confronted Henry George and his followers may be stated somewhat as follows: The Creator has richly endowed mankind with an abundance of natural resources including base and precious metals, coal and oil, water power, together with land on which to produce food, clothing and shelter and to enjoy life, liberty and the pursuit of happiness. Most important of all, man is endowed with intelligence which enables him to produce wealth by the use of labor-saving machinery and improved methods of transportation with but a mere fraction of the exertion previously required. Universal prosperity is the logical product of these natural endowments."

"Why, then, is prosperity denied to us? Why are wages and salaries so low? Why an army of unemployed? Why so many millions living on charity? Why the artificial scarcity and high price of land? Why private ownership and monopoly of natural resources and ground rents which are the rightful heritage of all men? Why interference with international free trade? Why are all activities of capital and labor and accumulated wealth penalized by taxation? How can universal prosperity be established?"

"That was the puzzle, Charlie, which challenged the minds of millions of men, many of whom perceived in a partial way the right answer. But it was Henry George who formulated in concrete and practicable shape the answer to the challenge and who gave to the world a philosophy which all who were not blind by prejudice could understand and which in a partial way may be expressed as follows: The Single Tax is a tax upon land values, i.e. economic or ground rent regardless of improvements to the exclusion of all other taxes whatsoever. This tax will abolish land speculation and land monopoly with all of their attendant evils. It will reduce the selling price of land. By providing free trade with all nations it will liberate the great wealth which results from unrestricted commerce. Incidentally, this will promote international good will"

and consequent peace. By removing all taxes from buildings it will reduce the cost of same to owners and of rentals to tenants. It will increase wages and salaries. The single tax would make organized charity unnecessary. It would ultimately make all pensions unnecessary. It would simplify government and greatly reduce its cost.

"The Single Tax is the ideal tax. It is a burden upon no individual but simply takes for the expense of government that value which is created by the community and which belongs to the community. The Single Tax would put an end to the penalizing of capital and labor, wealth and wealth production, thrift, industry, commerce and agriculture. It would put an end to that misery, crime and suicide which is directly caused by poverty and the fear of poverty. It is the one great reform which overshadows all others, which is founded on justice and sound political economy. By elevating Justice to the place preempted by Charity the Single Tax would promote that prosperity to which all men are entitled. It is sound in theory and practice and conservative in the best sense of that term. It is a development of democratic individualism, it is the antithesis of state socialism, it is the antidote for communism, it is the practical method of bringing about that kingdom of righteousness for which men pray."

"Thank you, Grandfather."

CHAPTER XVI

Henry George

These conversations between Justin Waterson and his grandson, Charles, took place at various times during that winter which the younger man spent with his grandparents, and the time was approaching for his return to the parental home.

"It seems to me," said he one day to his grandfather, "that we have covered pretty thoroughly the comparison of the old order with the new and the causes which are responsible for the prosperity now enjoyed. Of course this leads to added interest in the personality of that man who more than any other was, so you have told me, responsible for the great change. I wish you would tell me more concerning the personality and career of Henry George himself, whom I understand was personally known by your own father."

"Yes, Charles, my father was never tired of telling me about Henry George, whom he greatly admired. Henry George was a modest man. Instead of claiming personal credit for having devised a new social order he declared that truth was never new and he was ever quick to give credit to those philosophers in France, England, Ireland and

elsewhere, who had perceived in a partial way those economic truths which he in his day formulated into a scientific system.

"There is ample testimony that he was regarded as a great man, a man apart, not only by those who had accepted his philosophy, but by others who met him in casual every-day life. He had absolute faith in the certainty of the change which would come from the chaotic conditions of his time to the prosperity now enjoyed by all. And at no time was he impatient of the progress made toward this change during his own lifetime.

"Just as Jesus of Nazareth was repudiated and condemned by the aristocracy of his day for the philosophy which he applied to human life, so was Henry George unappreciated by the aristocracy of his day. It is related that his foremost critic, Dr. Francis A. Walker, in a magazine article declared with some show of mirth that while Henry George had much to say concerning unearned increment he was silent regarding unrequited decrement! To this Henry George replied, with a certain sense of sorrow, that it was difficult to maintain a controversy with one who spoke of unrequited decrement of something which originally had no value whatsoever.

"When 'Progress and Poverty' was published Henry George, as an act of courtesy, sent a complimentary copy of the book to the then Duke of Argyle. Regarding this book as an attack upon landlordism, the Duke of Argyle was angered and assailed Henry George in a magazine article ironically entitled, 'The Prophet of San Francisco.' Again Henry George replied regretting that the Duke could not have risen above the accident of his birth and have considered the argument presented impersonally and upon the basis of its merit. But as time passed opposition was followed by increasing acceptance of that philosophy in the university, the church and in the field of literature. More and more frequently were college professors and clergymen found to be out-spoken in their full acceptance of that philosophy and with understanding of its growing importance. The very fact that so many fantastic theories in statecraft had been tried and found wanting lent increasing strength to that in what was in those days called the Single Tax Movement. Year by year brought greater force to the insistence of the Henry George philosophy that governments must not vary from strict adherence to the moral law, that ethical considerations must be regarded in every transaction of government just as these considerations had been accepted as a matter of course in transactions between individuals. It should be remembered that as late as the middle of the last century governments were not necessarily supposed to be amenable to moral law, but on the contrary were given carte blanche to violate ethical principles when consideration of expediency and convenience so dictated.

"Reviewing briefly the career of Henry George, we find him at first with the

responsibility of his family, chagrined and puzzled at the difficulty in securing an opportunity to earn a living. In this he had the same experience of millions of others but instead of accepting the situation complacently as something inevitable this man with greater heart and greater mind felt that the condition was a contradiction to what ought to be, and he took upon himself a solemn vow that he would not rest until he had found the reason for the persistence of undeserved poverty accompanying unparalled progress, and the remedy for that poverty. This was not a mere prayer for enlightenment. He read everything available which would throw any light upon the subject, and as a result of his research and his purpose there came upon his mind like a flash a complete understanding of the whole puzzle. The problem was made clear to him and, as has been the case with his followers and as I have said before, this gave him a new faith in God, a new vision of what the world might be if natural law should be followed in place of inimical man-made laws. His next task was to place his conclusions in proper form for presentation to the world. At last this was accomplished and 'Progress and Poverty' was immediately given the reception that is only accorded great books. It was translated into every modern language. This was supplemented by editorial work, by magazine and newspaper articles, by speeches, addresses, sermons, and lectures, and by the dissemination of literature through organizations which sprang up in various countries of the world. At last we find him in October of 1898 accepting the nomination for Mayor of New York City. Henry George was then far from robust and his physician warned him that this act of his would probably cost him his life. 'How better,' replied he, 'than to give one's life in this way?' The campaign was short but strenuous. Five days before the election was to take place Henry George faced an audience of working men. His work was finished. He was to be known by future generations as the one man who had done more than any other to make effective by a working program the democratic principle of equal rights for all and special privileges for none, together with fulfillment of the Christian's prayer, 'Thy will be done on Earth as it is in Heaven.' He was to be known to future generations as the greatest internationalist of modern times, the greatest liberator, the greatest benefactor of the race.

"As he faced this audience of working men two things he did not know: one was that he was not to see the light of another day, the other, that he was then and there to be tested by trial. As the cheers and applause subsided the chairman of the meeting introduced him as 'the great friend of labor and democracy.' Mr. George was very weary, but his mind was alert and he caught the inference of special favor in that introduction. Should he accept a statement that he was the special friend of any class of men? Why not? What candidate for office but would have rejoiced in being favored by that introduction? There were a dozen different reasons why he should let it pass. To take exception to it might annoy the chairman, it might displease the audience, it might be considered an academic distinction without a difference. There was necessity

for haste. There were one or two more meetings to be addressed by him that very night. Why split hairs about the meaning of a word? Why quibble about technical terms? He owed a great deal to his committee. They were impatient for him to finish his speech.

"But no! Henry George was thoroughly honest as Lincoln was honest. He did not know that he was on trial in these last hours of his life, but he never faltered. He was tested but he was not tempted. Henry George's sterling honesty would not permit even the slightest suggestion of his favor for any one class. His entire career proclaimed the fact that he was a champion of the rights of all men regardless of tongue, color, creed, social status, or occupation. He represented the banker and the professional man as truly as he did the working man. There was not the slightest tinge of the demagogue in his nature: he stood for the rights of all men. Said he: 'I have never claimed to be a special friend of labor. What I stand for is the equal rights of all men!'

"On the stone that his fellow-citizens raised in Greenwood Cemetery, Brooklyn, there are fixed in metal letters these words from Henry George's first great book:

"The truth that I have tried to make clear will not find easy acceptance. If that could be, it would have been accepted long ago. If that could be, it would never have been obscured. But it will find friends—those who will toil for it; suffer for it; if need be, die for it. This is the power of Truth."

CHAPTER XVII

Expressions of Philosophers

Here are given some of the many expressions of philosophers in testimony of the truth that the earth was made for all. These constituted a powerful influence in effecting the change that has been made from the old order to the new.

From
The Earth For All Calendar
Compiled by
Ernest Crosby.

"The Earth belongs to the People."—Mark Twain.

"I hold that the Earth was meant for the human race and not for a few privileged ones."—Max O'Rell.

"The land is a solemn gift which nature has made to man; to be born then is for each

of us a title of possession. The child has no better birthright to the breast of its mother."—Marmontel.

"The world is God's bequest to mankind. All men are joint heirs to it; you among the number."—Herbert Spencer.

"The Earth therefore and all things therein are the general property of all mankind, exclusive of all other beings, from the immediate gift of the Creator."— Blackstone.

"The heaven, even the heavens, are the Lord's; but the Earth hath he given to the children of men."— Psalms.

"The land therefore of every country is the common property of the people of that country."—The Bishop of Meath, Ireland.

"The soil of a nation is primarily the property of the whole nation—the common inheritance of all."—Robert Giffen.

"The Earth belongs always to the living generation; they may manage it, then, and what proceeds from it, as they please, during their usufruct."—Thomas Jefferson.

"All men are originally in a common collective possession of the soil of the whole earth."—Kant.

"As I am born to the earth, so the earth is given to me, what I want of it to till and to plant; nor could I without pusillanimity omit to claim so much."—Emerson.

"We have no disinherited. The coming together of my people does not enrich some without toil. The landless do not pay tribute to the landlords. All are equal owners in natural and social values."—Joaquin Miller.

"Ah, I see it clearly before my eyes, the city of justice and happiness! No more idlers of any kind, and hence no more landlords supported by rent, no more men of fortune kept like mistresses by fortune—in short, no more luxury and no more misery! Ah, is not this the ideal of equity, the supreme wisdom, no privileged classes, and none doomed to wretchedness; everyone creating his welfare by his own effort, the average of human welfare!"—Emile Zola.

"He to whom the land belongs is also the proprietor of him who lives upon it and cultivates it."—Clause in a deed of gift to the Abbey of Tihany, Hungary.

"There is a great number of noblemen among you, that are themselves as idle as drones, that subsist on other men's labor, on the labor of their tenants, whom, to raise their revenues, they pare to the quick."—Sir Thomas More.

"Resolved that all men have a natural right to a portion of the soil; and that as the use of the soil is indispensable to life, the right of all men to the soil is as sacred as their right to life itself."—Platform of the American Free Soil Party.

"What has God given to one that He has not given to another? Has the common Father of all cast out some of His children? You who claim the exclusive enjoyment of His gifts, show the testament which disinherits your brother."—Abbe Lamennais.

"Those who make private property of the gift of God pretend in vain to be innocent. For in thus retaining the subsistence of the poor they are the murderers of those who die every day for want of it."—Pope Gregory, The Great.

"Unrestricted private property in land is inherently wrong, and leads to serious and wide-spread evils."—Prof. Alfred Russel Wallace.

"The first thing which the democracy will write upon the slate will be the nationalization of the land."—Thomas Hughes.

"I infer that no individual or class of individuals, can hold a right of private property in the land of a country; that the people of that country, in their public, corporate capacity, are, and always must be, the real owners of the land of their country—holding an indisputable title to it, in the fact that they received it as a free gift from its Creator, and as a necessary means for preserving and enjoying the life He has bestowed upon them."—Bishop of Meath, Ireland.

"Every proprietor, therefore, of cultivated land owes to the community a ground rent (for I know of no better term to express the idea) for the land which he holds."—Thomas Paine.

"If all men were so far tenants to the public that the superfluities of gain and expense were applied to the exigencies thereof, it would put an end to taxes." —William Penn.

"The following proposal seems to me to be more practicable, viz., to establish quit-rents on all past grants . . . The quit-rents would in this case be sufficient to support the government, and if they were applied to that purpose I believe it would give a general satisfaction; because it would be as equal a taxation as could well be contrived, and the taxes would not, as they do now, fall only upon the improvements

and the industry of the people."—Cadwalder Golden, Surveyor-General and afterward Lieutenant-Governor of the Province of New York (1732).

"The evil is expressed in a few words, and sooner or later the nation will appreciate it and rectify it. It is the alienation of the soil from the state, and the consequent taxation of the industry of the country."— Patrick Edward Dove.

"A tax upon ground-rents would not raise the rent of houses. It would fall altogether upon the owner of the ground-rent, who acts always as a monopolist and exacts the greatest rent which can be got for the use of the ground."—Adam Smith.

"The land is common to all. All have the same right to it; but there is good land and bad land, and everyone would like to take the good land. How is one to get it justly divided? In this way: he who will use the good land must pay those who have got no land of the value of the land he uses,' Nekhludoff went on, answering his own question . . . 'Well, he had a head, this George,' said the oven-builder, moving his brows. 'He who has good land must pay more.' "—Count Tolstoy.

"Wherever there is in any country uncultivated lands and unemployed poor, it is clear that the laws of property have been so far extended as to violate natural right. The earth is given as a common stock for man to labour and live on."—Thomas Jefferson.

"No man made the land; it is the original inheritance of the whole species."—John Stuart Mill.

"Here is the fundamental error, the crude and monstrous assumption, that the land which God has given to our nation, is or can be the private property of anyone. It is a usurpation exactly similar to that of slavery."—Prof. F. W. Newman.

"The difference between serfdom as in Russia, and landownership as in England, and particularly between the serf, and the tenant, occupier, mortgagor, etc., is more in form than in fact. Whether I own the peasant, or the land from which he must obtain his nourishment, the bird or its food, the fruit or the tree, is practically a matter of small importance."—Schopenhauer.

"Wherever the ownership of the soil is so engrossed by a small part of the community that the far larger number are compelled to pay whatever the few may see fit to exact for the privilege of occupying and cultivating the earth, there is something very like slavery."— Horace Greeley.

"It may by and by be perceived that equity utters dictates to which we have not yet

listened, and men may then learn that to deprive others of their rights to the use of the earth is to commit a crime inferior only in wickedness to the crime of taking away their lives or personal liberties."—Herbert Spencer.

"As soon as the land of any country has all become private property, the landlords, like all other men, love to reap where they never sowed, and demand a rent even for its natural produce."—Adam Smith.

"A land-tax, levied in proportion to the rent of land . . . will fall wholly on the landlords;"—David Ricardo.

"A tax on rent falls wholly on the landlord. There are no means by which he can shift the burden upon anyone else."—John Stuart Mill.

"The rent which landlords draw from their lands is an income which they derive from the sale of what are avowedly God's gifts which 'no man made.' "—Bishop of Meath, Ireland.

"Grimly the same spirit (of progress) looks into the law of property and accuses men of driving a trade in the great, boundless providence which has given the air, the water and the land to men to use and not to fence in and monopolize."—Emerson.

"My reason teaches me that the land cannot be sold. The Great Spirit gave it to his children to live upon and cultivate as far as is necessary for their subsistence; and so long as they occupy and cultivate it, they have the right to the soil . . . Nothing can be sold but such things as can be carried away."—Black Hawk.

"The way, and the only way, to check and stop this evil, is for all the red men to unite in claiming a common and equal right in the land, as it was at first, and should be yet; for it never was divided, but belongs to all for the use of each. That no party has a right to sell, even to each other, much less to strangers."— Tecumseh.

"The land shall not be sold for ever; for the land is mine, for ye are strangers and sojourners with me."— Leviticus, XXV.

"Bodies of men and women, then and much more as I have said before, their souls, must not be bought or sold. Neither must land, nor water, nor air, these things being the necessary sustenance of men's bodies and souls."—Ruskin.

"I admit that there are things in which a man can have absolute property, and which without qualification or restriction he can buy or sell or bequeath at his pleasure. But I

deny that the soil is among these things."—Gerrit Smith.

"An English subject may enjoy the absolute ownership of goods, but not of land. The law does not recognize absolute ownership of land."—Williams.

"Property in land differs in its origin from property in any commodity produced by human labor. The product of labor naturally belongs to the laborer who produced it . . . But the same argument does not apply to land, which is not the produce of labor, but is the gift of the Creator of the world to mankind. Every argument used to give an ethical foundation for the exclusive right of property in land has a latent fallacy." — Justice Longfield.

"Only the products of his hands are therefore the absolute property of the agriculturist. They belong to him substance and all, whereas of the lands he has only an accident."—Fichte.

"It is commonly supposed that land belongs to its owner in the same sense as money or a watch; this has not been the theory of the English law since the Norman Conquest, nor has it been so in its fullest significance at any time. No absolute ownership of land is recognized by our law-books except in the Crown."— Sir Frederick Pollock.

"I should myself deny that the mineral treasures under the soil of a country belong to a handful of surface proprietors in the sense in which these gentlemen appear to think they did."—Lord Chief Justice Coleridge.

"Landed monopoly has dispossessed more than half the inhabitants of every nation of their natural inheritance."—Thomas Paine.

"Landlords are perhaps the only great body of men whose interest is diametrically opposed to the interest of the nation."—H. T. Buckle.

"I am satisfied that all human beings are entitled to the essentials of life, that is to say, to water, to air, and to land."—Robert G. Ingersoll.

"It is well said, 'Land is the right basis of an Aristocracy;' whoever possesses the Land, he more emphatically than any other is Governor, Vice-King of the people."— Thomas Carlyle.

"If the new Czar were to ask me what I should advise him to do, I would say to him: 'Use your autocratic power to abolish landed property in Russia, and to introduce the

single-tax system, and then give up your power and give the people a liberal constitution." —Count Leo Tolstoy.

"I believe there's room on English soil for twice the number there is now; and when we get the Charter we'll prove it; we'll show that God meant living human heads and hands to be blessings and not curses, tools and not burdens."—Charles Kingsley.

"The great social problem, then, that cannot fail ere long to appear in the arena of European discussion is, 'to discover such a system as shall secure to every man his exact share of the natural advantages which the Creator has provided for the race; while, at the same time, he has full opportunity, without let or hindrance, to exercise his skill, industry, and perseverance for his own advantage.' "—Patrick Edward Dove.

"Land-owning is, beyond all other callings, in the nature of a monopoly."—Robert Giffen.

"It is territorial monopoly that obliges men unwillingly to see vast tracts of land lying waste or negligently and imperfectly cultivated, while they are subjected to the miseries of want."—William Godwin.

"Not seldom a place of barren ground or swamp, worth nothing in itself, becomes a source of huge fortune to him from the development of a town or a district, and he pockets the results of the labor of thousands upon thousands of men, and calls it his property." William Morris.

"The profit of the earth is for all."—Ecclesiastes.

"Unrestricted private property in land gives to individuals a large proportion of the wealth created by the community at large."—Prof. Alfred Russel Wallace.

"The private soldiers fight and die to advance the wealth and luxury of the great, and they are called masters of the world, while they have not a foot of ground in their possession."—Tiberius Gracchus.

"Entails are founded upon the most absurd of all propositions, the supposition that every successive generation of men have not an equal right to the earth and to all that it possesses."—Adam Smith.

"I set out on this ground, which I suppose to be self-evident, that the earth belongs in usufruct to the living; that the dead have neither power nor rights over it." —Thomas Jefferson.

"Every man, as an inhabitant of the earth, is a joint proprietor of it in its natural state."—Thomas Paine.

"The vacant land belongs to the landless. The simple fact that the one is vacant and the other landless is of itself the highest proof that they should be allowed to come together. Alas, what a crime against nature that they should be kept apart."—Gerrit Smith.

"Every man has by the law of Nature a right to such waste portion of the Earth as is necessary for his subsistence."—Sir Thomas More.

"Any settlement of the land of a country that would exclude the humblest man in that country from his share of the common inheritance would be not only an injustice and a wrong to that man, but moreover would be an impious resistance to the benevolent intention of the Creator."—Bishop of Meath, Ireland.

"Of course, whilst another man has no land, my title to mine, your title to yours, is at once vitiated." —Emerson.

"The land, a thing to which everyone has the same claim."—Walter Bagehot.

"It is wrong to say God made rich and poor; He made only male and female, and He gave them the earth for their inheritance."—Thomas Paine.

"We are many; the land is given us for inheritance." —Ezekiel.

"His next task, and indeed the most hazardous he ever undertook, was the making a new division of their lands. For there was an extreme inequality among them, and their State was overloaded with a multitude of indigent and necessitous persons, while its whole wealth had centered upon a very few."—Plutarch, Life of Lycurgus.

"Before any effectual social renovation can take place, men must efface the abuse which has grown up out of the transition from the feudal to the more modern state; the abuse of land being held as absolute property."—Harriet Martineau.

"The doctrine that land can become the private property of one is a doctrine morally repugnant to the Bantu. The idea which is today beginning to haunt Europe, that, as the one possible salve for our social wounds and diseases, it might be well if the land should become again the property of the nation at large, is no ideal to the Bantu, but a realistic actuality. He finds it difficult, if not impossible, to reconcile his sense of

justice with any other form of tenure."—Olive Schreiner.

"Land is always the first and only source of all wealth."—Turgot.

"The earth is the Lord's and the fullness thereof, the world and they that dwell therein."—Psalms.

"Thus saith the Lord ... I will return and have compassion on them, and will bring them again, every man to his heritage and every man to his land."—Jeremiah.

"Soil, with or without plowing, is the gift of God." —Thomas Carlyle.

"It was a part of his (Carlyle's) view, for instance, that private property in land should be abolished."— Moncure D. Conway.

"Land should be given to those who can use it."— John Ruskin.

"The landlords have been revelling in prosperity—in a bloated and diseased prosperity—at the very time when the people have been suffering the greatest privation and want of food."—Richard Cobden.

"God has ordered all things to be produced, so that there should be food in common to all, and that the earth should be a common possession to all. Nature therefore has produced a common right for all, but greed has made it a right for a few."—St. Ambrose.

"The Creator has made ample provision for all men in the storehouse of nature and in the faculties and powers of man. To do God's will, we must make room at the Father's table for all His children."— Father Edward McGlynn.

"The Earth cannot be anyone's property; it cannot be bought or sold any more than water, air, or sunshine. All have an equal right to the advantages it gives to men."— Count Leo Tolstoy.

"In a letter to the President of Congress, July 22, 1782, (Robert) Morris said that a large part of America was held by great landowners and that a land tax would have the salutary effect of an agrarian law without the iniquity."—Prof. William G. Sumner.

"If, then, successive generations of men cannot have their fractional share of the actual soil (including mines, etc.,) how can the division of the advantages of the natural earth be effected? By the division of its annual value or rent; that is, by

making the rent of the soil the common property of the nation. That is (as the taxation is the common property of the State), by taking the whole of the taxes out of the rents of the soil, and thereby abolishing all other kinds of taxation whatever. And thus all industry would be absolutely emancipated from every burden."—Patrick Edward Dove.

Also the following:

"The land, the earth God gave to man for his home, sustenance and support, should never be the possession of any man, corporation, or unfriendly government, any more than air or water, if as much."—Abraham Lincoln.

CHAPTER XVIII Words of Henry George

"For as labor cannot produce without the use of land, the denial of the equal right to the use of land is necessarily the denial of the right of labor in its own produce."—Progress and Poverty.

"Place one hundred men on an island from which there is no escape, and whether you make one of these men the absolute owner of the other ninety-nine, or the absolute owner of the soil of the island, will make no difference either to him or to them."—Progress and Poverty.

"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."—Progress and Poverty.

"Consider from the point of view of an observer of Nature a landless man—a being fitted in all his parts and powers for the use of land, compelled by all his needs to the use of land, and yet denied all right to land. Is it not as unnatural as a bird without air or a fish without water?"—Property in Land.

"There are deep wrongs in the present constitution of society, but they are not wrongs inherent in the constitution of men nor in those social laws which are as truly the laws of the Creator as are the laws of the physical universe. They are wrongs resulting from bad adjustments which it is within our power to amend."—Social Problems.

"Desire grows by what it feeds on. Man is not like the ox. He has no fixed standard of

satisfaction. To arouse his ambition, to educate him to new wants, is as certain to make him discontented with his lot as to make that lot harder."—Social Problems.

"This, and this alone, I contend for—that he who makes should have; that he who saves should enjoy. I ask in behalf of the poor nothing whatever that properly belongs to the rich. Instead of weakening and confusing the idea of property, I would surround it with stronger sanctions. Instead of lessening the incentive to the production of wealth, I would make it more powerful by making the reward more certain."— Social Problems.

"Under the feudal system the greater part of public expenses was defrayed from the rent of land, and the landholders had to do the fighting or bear its cost. Had this system continued, England, for instance, would today have had no public debt."— Social Problems.

"Here are two simple principles, both of which are self-evident: (i) That all men have equal rights to use and enjoyment of the elements provided by nature. (2) That each man has an exclusive right to the use of and enjoyment of what is produced by his own labor."—Protection or Free Trade?

"The higher the value of land the more capital does the farmer require if he buys outright; or, if he buys on installments or rents, the more of his earnings must he give up each year. Men who would eagerly improve and cultivate land could it be had for the using are thus turned away—to wander long distances and waste their means in looking for better opportunities." —Social Problems.

"We have become accustomed to think that God's kingdom is not intended for this world—that, virtually, this is the devil's world, and that God's kingdom is in some other sphere, to which He is to take good people when they die. If that be so, what is the use of praying for the coming of the kingdom?"

"'The poor ye have always with you.' If ever a scripture has been wrested to the devil's service, this is that scripture. How often have these words been distorted from their obvious meaning to soothe conscience into acquiescence in human misery and degradation." —Social Problems.

"For every social wrong there must be a remedy. But the remedy can be nothing less than the abolition of the wrong. Half-way measures, mere ameliorations and secondary reforms, can at any time accomplish little, and can in the long run avail nothing."— Social Problems.

"We see in the material provision that He has made for men room for all, work for all, abundance for all, and opportunities of leisure and the fullest development for all, conditioned only on men's obedience to the moral law that teaches us to give each his right; to do to others as we would have others do to us."—Oration at funeral of W. T. Croasdale.

"I believe in God the Father Almighty, maker of Heaven and Earth. I believe in Him not because my mother taught me so. I believe in Him not because the churches have preached to me of Him. There was a time when I did not, a time when I could not believe in Him. I believe in God the Father Almighty because wherever I have looked, through all that I see around me, I see the trace of an intelligent mind, and because in natural laws, and especially in the laws which govern the social relations of men, I see, not merely the proofs of intelligence, but the proofs of beneficence."—Speech, N. Y.

"Private property in land is the primary cause of the monstrous inequalities which are developing in modern society. It is this, and not any miscalculation of Nature in bringing into the world more mouths than she can feed, that gives rise to that tendency of wages to a minimum—that 'iron law of wages' as the Germans call it—that, in spite of all advances in productive power, compels the laboring classes to the least return on which they will consent to live."—The Land Question.

"How can a man be said to have a country where he has no right to a square inch of soil; where he has nothing but his hands, and urged by starvation, must bid against his fellows for the privilege of using them." —Social Problems.

"'Thy kingdom come!'—when Christ taught that prayer He meant, not merely that men must idly phrase these words, but that for the coming of that kingdom they must work as well as pray."—Sermon, Glasgow.

"The equal right of all men to the use of land is as clear as their equal right to breathe the air—it is a right proclaimed by the fact of their existence. For we cannot suppose that some men have a right to be in this world and others no right."—Progress and Poverty.

"If chattel slavery be unjust, then is private property in land unjust. For, let the circumstances be what they may—the ownership of land will always give the ownership of men, to a degree measured by the necessity (real or artificial) for the use of land. This is but a statement in different form of the law of rent." —Progress and Poverty.

"The laws of nature are the decrees of the Creator. There is written in them no recognition of any right save that of labor; and in them is written broadly and clearly the equal right of all men to the use and enjoyment of nature; to apply to her by their exertions, and to receive and possess her reward. Hence, as nature gives only to labor, the exertion of labor in production is the only title to exclusive possession."—Progress and Poverty.

"It would be wrong to pay the present landowners for 'their' land at the expense of the people; it would likewise be wrong to sell it again to smaller holders. It would be wrong to abolish the payment of rent, and to give the land to its present cultivators. In the very nature of things, land can not rightfully be made individual property."—The Land Question.

"Private property in land, which never arises from the natural perceptions of men, but springs historically from usurpation and robbery, is something so utterly absurd, so outrageously unjust, so clearly a waste of productive forces and a barrier to the most profitable use of natural opportunities, so thoroughly opposed to all sound maxims of public policy, so glaringly in the way of further progress, that it is only tolerated because the majority of men never think about it or hear it questioned."—The Land Question.

"The men who deny there is any practical way of carrying into effect the preception that all human beings are actually children of the Creator, shut their eyes to the plain and obvious way."—Sermon, Glasgow.

"'For it is true,' as was declared by the first National Assembly of France, 'that ignorance, neglect, or contempt of human rights are the sole causes of public misfortunes and corruptions of government.' "—Protection or Free Trade?

"That which is unjust can really profit no one; that which is just can really harm no one."—Henry George.

"To combine the advantages of private possession with the justice of common ownership it is only necessary therefore to take for common uses that value attached to land irrespective of any exertion of labor on it."—The Condition of Labor.

"Unless we come back to first principles, unless we recognize natural perceptions of equity, unless we acknowledge the equal right of all to land, our free institutions will be in vain, our common schools will be in vain; our discoveries and investigations will but add to the force that presses the masses down!"—Progress and Poverty.

"We see that the law of justice, the law of the Golden Rule, is not a mere counsel for perfection, but indeed the law of social life."—The Condition of Labor.

"No one can bargain away what is not his; no one can stipulate away the rights of another. And if the new-born infant has an equal right to life, then has it an equal right to land. Its warrant, which comes direct from Nature, and which sets aside all human laws or title-deeds, is the fact that it is born."—The Land Question.

"The poverty which in the midst of abundance pinches and embrates men, and all the manifold evils which flow from it, spring from a denial of justice. In permitting the monopolization of the opportunities which nature freely offers to all, we have ignored the fundamental law of justice—for so far as we can see, when we view things upon a large scale, justice seems to be the supreme law of the universe."—Progress and Poverty.

"Aye! that Christianity that puts on the Creator the evil, the injustice, the suffering, the degradation, that are due to man's injustice, is worse, far worse than atheism. That is the blasphemy, and if there be a sin against the Holy Ghost, that is the unpardonable sin." —Sermon.

"It is not by accident that, in the Hebraic religious development which through Christianity we have inherited, the declaration, 'The Lord thy God is a just God,' precedes the sweeter revelation of a God of Love. Until the eternal justice is perceived, the eternal love must be hidden. As the individual must be just before he can be truly generous, so must human society be based upon justice before it can be based on benevolence."—Social Problems.

"That justice is the highest quality in the moral hierarchy I do not say; but that it is the first. That which is above justice must be based on justice, and include justice, and be reached through justice."—Social Problems.

"And no one thinks of it without seeing that a very kingdom of God might be brought on this earth if men would but seek to do justice—if men would but acknowledge the essential principle of Christianity, that of doing to others as we would have others do to us, and of recognizing that we are all here equally the children of the one Father, equally entitled to share His bounty, equally entitled to live our lives and develop our faculties and to apply our labor to the raw material that He has provided."—Sermon, Glasgow.

"Even were it true that the common opinion of mankind has sanctioned private property in land, this would no more prove its justice than the once universal practice

of the known world would have proved the justice of slavery."—The Condition of Labor.

"True, that any species of property is permitted by the state does not of itself give it moral sanction. The state has often made things property that are not justly property, but involve violence and robbery."—The Condition of Labor.

"What is by nature the common birthright of all, we have made the exclusive property of individuals; what is by natural law the common fund, from which common wants should be met, we give to a few that they may lord it over their fellows. And so some are gorged while some go hungry, and more is wasted than would suffice to keep all in luxury."—The Land Question.

"Property in land means not merely a continuous exclusion of some people from the element which it is plainly the intent of Nature that all should enjoy, but it involves a continuous confiscation of labor and the results of labor."—Property in Land.

"Taxation must not take from individuals what rightfully belongs to individuals."—The Condition of Labor.

"Taxation must not repress industry. It must not check commerce. It must not punish thrift. It must offer no impediment to the largest production and the fairest division of wealth."—The Condition of Labor.

"We propose to substitute for the present system of taxation a system of taxation that will not discourage enterprise, that will not fine and punish industry, that will not require any one to come up and take an oath, that will not necessitate an army of spies and a horde of tax gatherers."—Speech, New York.

"From all parts of the civilized world come complaints of industrial idleness; of capital massed and wasting; of pecuniary distress among business men; of want and suffering and anxiety among the working classes. All the dull, deadening pain, all the keen, maddening anguish, that to the great masses of men are involved in the words, 'hard times,' afflict the world today."—Progress and Poverty.

"Why, in spite of increase in productive power, do wages tend to a minimum which will give but a bare living,"—Progress and Poverty.

"What I, therefore, propose, as the simple yet sovereign remedy, which would 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 appropriate rent by taxation."—Progress and Poverty.

"Tax land values and you leave to production its full rewards, and you open to producers natural opportunities."—Address, San Francisco.

"The single tax will directly and largely benefit small land owners, whose interests as laborers and capitalists are much greater than their interests as land owners."—The Condition of Labor.

"It is the taking by the community for the use of the community, of that value which is the creation of the community. It is the application of the common property to common uses. When all rent is taken by taxation for the needs of the community, then will the equality ordained by nature be attained. No citizen will have an advantage over any other citizen save as is given by his industry, skill, and intelligence; and each will obtain what he fairly earns. Then, but not till then, will labor get its full reward and capital its natural return."—Progress and Poverty.

"Try our remedy by any test. The test of justice, the test of expediency. Try it by any dictum of political economy; by any maxim of good morals, by any maxim of good government. It will stand every test. What I ask you to do is not to take what I or any other man may say, but to think for yourselves."—Address, San Francisco.

"We propose, leaving land in the private possession of individuals, with full liberty on their part to give, sell, or bequeath it, simply to levy on it for public uses a tax that shall equal the annual value of the land itself, irrespective of the use made of it or the improvements on it."—The Condition of Labor.

"We would leave to him who produces wealth, to him to whom the title of the producer passed, all that wealth; no matter what be its form, it belongs to the individual. We would take for the uses of the community the value of land for the same reason. It belongs to the community because the growth of the community produces it."—Address, San Francisco.

"Tax buildings, and you will have fewer or poorer buildings; tax farms and you will have fewer farms and more wilderness; tax ships, there will be fewer and poorer ships, and tax capital, and there will be less capital; but you may tax land values all you please and there will not be a square inch the less land."—Address, San Francisco.

"The tax upon land values or rent is in all economic respects the most perfect of taxes.

No political economist will deny that it contains the maximum of certainty with the minimum of loss and cost; that, unlike taxes upon capital or exchange or improvement, it does not check production or enhance prices or fall ultimately upon the consumer."—The Land Question.

"For what is the core, the essence of our belief—we, who for want of a better word, call ourselves Single Tax men? It is that there is in social relations as in physical relations a law, an order; a law which everywhere coincides with the moral law; an order which shows Intelligence and Beneficence. The simple, yet far-reaching reform that we urge is to us no ingenious scheme devised by human wit; no deftly invented panacea to cure human ills. It is something far simpler, yet transcendently grander—it is the conformation of human law to the supreme law of justice; the obedience in our legislation to God's will."—Sermon at funeral of William T. Croasdale.

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"Here is the conclusion of the whole matter: That we should do unto others as we would have them do to us—that we should respect the rights of others as scrupulously as we would have our own rights respected, is not a mere counsel of perfection to individuals, but it is the law to which we must conform social institutions and national policy if we would secure the blessings of abundance and peace."—Protection or Free Trade?

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With respect to monopolies other than the monopoly of land, we hold that where free competition becomes impossible, as in telegraphs, railroads, water and gas supplies, etc., such business becomes a proper social function, which should be controlled and managed by and for the whole people concerned, through their proper government, local, state, or national, as may be. Henry George himself drafted the platform adopted in New York in 1890, including the final paragraph, and was chairman of the committee that reported it. —Arthur Nichols Young's history of the single TAX MOVEMENT IN THE UNITED STATES.

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The principal agency for the distribution of the works of Henry George and the single tax literature is the Schalkenbach Foundation, 11 Park Place, New York City, N. Y.

The national organization—The Henry George Foundation, Room 810, Keystone Building, 324 Fourth Avenue, Pittsburgh, Pennsylvania.

The educational agency of the Single Tax movement is the Henry George School of Social Science, 211 W. 79th Street, New York, N. Y.

The official organ of the Single Tax movement in the United States is Land and Freedom, 150 Nassau Street, New York City, N. Y., and in England, Land and Liberty, 94 Petty France, London, S.W.I.

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APPENDIX

The Single Tax Platform

Adopted by the National Conference of the Single Tax League of the United States at Cooper Union, New York, September 3, 1890.

We assert as our fundamental principle the self-evident truth enunciated in the Declaration of American Independence, that all men are created equal, and are endowed by their Creator with certain unalienable rights.

We hold that all men are equally entitled to the use and enjoyment of what God has created and of what is gained by the general growth and improvement of the community of which they are a part. Therefore, 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 revenue 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 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 revenue, 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.

The Single Tax therefore would —

(1) Take the weight 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.