

THE SINGLE TAX REVIEW

A Record of the Progress of Single Tax and Tax Reform
Throughout the World.

LITTLE ESSAYS ON A BIG SUBJECT

(For The Review.)

By J. W. BENGOUGH.

(Continued.)

V.

SENDING FOR THE SCHOOLMASTER.

The wise man in the scriptures admonished sluggards to go to the Ant for an example of Industry. Mankind in general might be well advised to go to the Ant for comprehensive instruction in the art of living. The teaching they would get, if they had their eyes open, would be of more practical benefit than any they can get from human universities. But, since mankind will not go to their little black brother to learn by observing his ways the secrets of universal prosperity, abolition of involuntary poverty, right relationship of capital and labor, solution of the tramp-and-millionaire problem, and the right method in general of living as God intended us to live, why, there is nothing for it but to send teachers to mankind. They must have lectures and books, and instructions in as many other forms as possible from Political Economists. These to human society must be and remain serious and literal school-masters, and by no means ornamental poets, merely celebrating the harmonies of life. For the sad fact is that the harmonies of life have disappeared, and we have a painful jangle instead. In the early days of the world, the historians assure us, mankind lived as successfully almost as the Ant communities; it is certainly far otherwise now. By a strange paradox the nations of the Earth that are now most highly civilized are the ones that present the spectacle of the worst savagery. There is nothing in any heathen island of the southern seas so barbarous as the conditions of life to be found in London and New York. It would seem that in highly civilized lands the art of making a living is a lost art. There is nothing for it then but, by main force of the Schoolmaster, to restore the knowledge. The one great thing—or rather the two great things—which constitute the

task of Political Economy now are to teach mankind, first, where they have gone astray from the Ant wisdom, and second, how they can get back into the right path again.

Can anything be imagined of more living and breathing human interest than the clear and sympathetic discussion of these two propositions? One would scarcely think it possible for human ingenuity to make the subject dry if we did not know that it is even possible to preach dry sermons. They are not likely to have dry treatment, however, at the hands of the Schoolmaster who really knows his subject. And on the other hand, the Political Economist who does not himself see just where civilization has gone astray; nor precisely what must be done to rectify the error, what can his treatment possibly be but dry? If there is so much dust in the atmosphere of his thinking that he cannot see his way to any better conclusion than that the present topsy turvy condition of things is, alas! the dispensation of Heaven, how will it be possible to keep the dust out of his teaching? He will indeed be dry, and if men refuse to read him small loss will be theirs. The question then is, Can Political Economy place its finger on the precise Error and on the precise Rectification? A short time ago the answer must have been, No. Now, happily, the answer may be given confidently, earnestly, Yes!

VI.

THE WHY OF IT.

Consider the natural instincts which are at the foundation of Parenthood. You can detect them by observing any normal, thrifty mother of a family. We may state these principles categorically: First, she gets as great a supply of the good things of this world as possible. Second, she gets these good things with as little effort as possible. Third, having secured them, she distributes them as fairly and justly as possible among her children. The woman who should ignore any one of these principles would rightly be regarded as an oddity, if not something worse, in the neighborhood. For notice: Suppose that she deliberately refused to provide for her family as abundantly as she was well able to do—willingly allowed her children to go short in the matter of food or clothes, or her house to be ill furnished when she might have a plentiful supply of everything. Or suppose her when out shopping to prefer paying dearly rather than cheaply for the things she needed; or when at home doing her housework, to insist on scrubbing her floors with a tooth brush rather than a scrubbing brush, doing all her work in the most round-about, difficult and laborious way she could contrive; and lastly, fancy her feeding and clothing some of her children well, and keeping others of them half starved and almost naked. You would assuredly consider such a woman *non compos mentis*, and notify the authorities of her sad condition. The instincts I have mentioned are those of common sense and right reason, and are shared not merely by all normal human beings who are in responsible positions as parents, but by parenthood throughout creation. The hen

deals with her brood on these principles. Now, Society being made up of individuals, the principles which govern the conduct of the units must be those that guide the community, and hence it goes without saying that every sane community seeks to have abundance of wealth; to obtain the same by the easiest possible methods, and to distribute it fairly; in other words, sets before itself the ideal of prosperity and equality. And although every state is made up of individual persons, we must, of course, clearly distinguish between the units and the mass when we come to consider rights and duties. They are separate and distinct, occupying two spheres apart. The individual has rights of property; so has the community, and it is only when these respective rights are acknowledged and guarded that there can be the highest measure of prosperity and comfort to both. The question of all national house-keeping, then, is twofold: How can the greatest possible amount of wealth be produced? How can it, when produced, be most equitably distributed, as between individuals, and as between individuals and community? These are the questions with which Political Economy must deal.

There is not much trouble, as a matter of fact, about the first of these propositions. The problem of production has been solved, practically. With the means and methods of agriculture and manufacture now available it is possible to provide abundantly for any possible demand for food, clothing, shelter and the general comforts, if not the luxuries, of life. So vast indeed is the productive power of labor, assisted by machinery, in the present day, that the fears once seriously expressed of population outrunning sustenance are now matter for laughter. Instead of these gloomy forebodings, what we now hear is lamentation of an alleged evil called "over-production." Of course, it is possible that some may suffer from the novel malady—those who have stocks of goods on hand which they cannot dispose of, that is, too much capital; and those who have a superabundance of good things, which they foolishly buy because they can afford it—too much wealth. The latter are simply people who are said in common language to have "more money than they know what to do with," and are not fit subjects for pity. The former class do deserve our commiseration, as they are suffering from a state of things beyond their own control. But both of these classes are limited; and at the very moment when they are complaining of "over-production," there are great masses of their fellow-creatures suffering want.

It must be manifest to every man of sense that such a condition of things is only to be explained by a failure of equitable distribution. There is sufficient for all, but it happens, somehow, that all do not share in fair proportion. The Why? of this is the theme of the political economist.

VII.

A VERY CURIOUS FACT.

Very remarkable things fail to excite our wonder, or even our notice, when once they are familiar to us. They do not cease to be remarkable on

that account, however. I have just mentioned a strange fact in connection with human life which I venture to say has not in the least moved the reader's surprise; yet if the same statement were made by a writer of the Ant community, it would be met with all the astonishment and indignation which a slander justly calls forth. I have stated, namely, that there are vast numbers of human beings who suffer want, notwithstanding that they are both able and willing to work. This is a fact so familiar and a statement so hack-nied, that it is read without the slightest emotion. He who would make the same allegation with reference to any section of the Ant population would need to be a liar of some hardihood. It is sadly true in the one case; ridiculously false in the other. Why this difference? As I have already pointed out, the physical conditions are the same in both cases: abundant raw material, and adequate power of turning it into the forms of wealth required. In so far as reason is superior to instinct, and the labor-saving inventions of man superior to the unaided natural implements of ants, the proportionate differences of comfort and prosperity should be all on the side of the human race. Yet there is the strange and humiliating fact—no pauper ants; millions of pauper men. In other words, fair and just distribution of wealth in the insect community; utterly unequal distribution in our advanced nations. Mark that the production of wealth is by the same method in both cases, and in all possible cases. It is by the application of labor to raw material already provided by the Creator. There is no exception to this rule; there is no other method by which wealth ever was or ever can be produced by insect, bird, or animal.

In the case of human beings, to be sure, labor may have two factors, viz., the natural powers of the body, and the artificial power of tools or implements. A laborer who has heretofore endeavored to cultivate a field by means of his bare hands, may get a spade, by which his work will certainly be rendered much more productive. He then enjoys the aid of what we call capital. If the spade is loaned to him by another man, he may be said to have the aid of a Capitalist, and inasmuch as his product is greatly increased by the use of the tool, it is fair and right that some portion of the product should go to the owner of the spade. The whole result secured is the Wages of Labor, that portion of it paid to the lender of the spade is called interest on capital. This principle is of course familiar and clear.

The case then, as to the production of wealth stands thus: on the one hand the raw material of nature provided by the Creator and called inclusively Land; this is the passive factor. On the other hand, human exertion in the single form of labor, or the double form of labor and capital; this is the active factor. So much for wealth Production, over which as I have already said there is no difficulty either among ants or men. How about wealth Distribution, which among ants seems to be automatically perfect, and among men is confusion worse confounded?

For an answer to this question we have only to enquire as to the law or rule by which the wealth produced in an ant-hill is distributed, and in what

respect, if any, this law or rule differs from that in vogue among ourselves.

Well, so far as my observations throw light on the matter, Ant Distribution is guided by the simple and obvious law of common sense and fairness. The workers enjoy the product in due proportion to their work. Each individual, in other words, gets the whole of what his own labor produces. If perchance there are idlers who have done nothing, these go hungry, or live meanly on charity. Of the two factors in the production, the lands and the ant, the former does not need any share of the wealth, being but a dead and passive thing. The ant, therefore, gets it all, and as between ant and ant, the rule of absolute fairness is that each ant gets all of his product. If in any case a producer has had the assistance of a fellow ant, a fair ratio would go to the latter as joint laborer or capitalist. But the one thing that the simplest insect in the community understands clearly is that wealth Distribution concerns only the workers of Antdom. No share goes to the passive element, the raw material—which would be a crazy notion; and no particle is due to idlers, if there were such. The “problem” is really no problem at all, for the Ants obey the plain dictates of right and reason in this matter.

VIII.

HUMANITY'S QUEER TANGLE.

I pick up a book written quite recently and read, “The Problem of Distribution has come to be looked upon as the riddle of the ages. . . . It is largely a moral and social question; it has to do with justice and equity; is bound up with law and custom, and is interwoven with the whole social fabric as it has developed out of the past.”

Which simply means that at some point in the path of history man has gone astray and so his affairs have got into a terrible tangle, whereas the Ants have continued obedient to the law of their being and are vexed by no “social question.” Where was the mistake made? What is its nature? Can it be rectified? These are surely the supremely interesting and vital questions of the day.

Let us now fix our attention on Humanity. We find it composed of two personalities, so to speak, namely, the state or collective person, and the individual, or private person. Each of these must have full justice if there is to be peace and prosperity, and the safe rule for guidance in this may be borrowed from a word of the highest authority—Render unto the government the things which are the government's, and unto the private citizen the things which are his. The government, as representing all, requires a revenue for the due provision of the things and services required for all. This means that to the government must be handed a sufficient portion of the wealth produced by the community to meet its needs. What remains of the wealth belongs to the individual workers, each worker, whether as laborer or capitalist, getting his due share. Now, it is conceivable that there might be a practical difficulty in settling the exact ratio as between laborer and capi-

talist, but that could be solved without much trouble. At all events, it is not the root of the difficulty as it exists. That problem would have been there for settlement if mankind had never left the path at all.

The state is entitled to one part and individual labor to another. That seems to be simple enough. The portion to be rendered to the State may be measured accurately by the public needs, as set forth by the proper officer in his annual budget. It only remains, then, for the due division of the remainder to be made between capital and labor, the human factor of production. There would seem to be no occasion for any great confusion or tangle in the transaction. Why not follow the instinctive method of the ants, and let each individual man keep the whole of his own product?

Let us first settle the method by which the Government's share would be provided, in other words, the public revenue. This essential point was not overlooked by the Creator who made man to live in a social condition and therefore knew that a public revenue would be required. Justice must of course rule for both community and individual if their mutual relations are to be permanent and harmonious, and surely there is no rule of justice more obviously fair than this: "He who makes ought to possess." Does the community as such make or cause or produce any fund that could be used for revenue and would be sufficient for that purpose? If so, the question of revenue is solved. The answer is, yes. Everybody knows that wherever a community establishes itself, a peculiar value attaches to the land thus settled upon. I say a "peculiar" value, because if the community dissolves this value disappears; and meanwhile it responds to the increase or decrease of population by increasing or decreasing pro rata. Moreover, it is "peculiar" in this, that it is not like other values, the result of individual toil; it is caused by the mere presence of population. We find it to be the exact measure of what it is worth to live in that community, automatically registered in the form of land values. In other words, it is the exact amount of the land-rent at any given time within the bounds of the community, and it tallies the amount of revenue required for public purposes, for it is manifest that precisely what it is worth to live in any particular town or city must be precisely what it costs to provide the conveniences which constitute this worth. To put the statement in another form, the coming together of people to form a town, gives rise to a necessity for public expenses; but it also gives rise to new value in the form of land-rent sufficient to meet these expenses. The community as such has needs, and the community as such creates a fund to meet those needs; sense and reason surely say take this fund for public revenue, and justice fully endorses the advice, for the automatically created value belongs to the community through whose mere presence it arises.

Justice as certainly dictates that labor-created values shall go to the individual producers. Here, then, is the plain solution of the question of distribution, which has become such a vexing "world problem." The sum total of wealth is produced by the application of Labor-Capital force to Land; the distribution of the sum total of production, then, must obviously cor-

relate with these—that portion which represents individual effort—going to laborers and capitalists in due ratio; and that portion which represents land-value going to the treasury of the community. This would put us on the level of Ant-wisdom. Every worker would get all he produced; and the Society as a whole would receive what it produced. If this is obvious, clear and straight reasoning—and is it not?—whence does the tangle arise? We have solved the question of abundant production; what prevents the settlement of the question of fair distribution? What stands in the way of the adoption of the system above described?

IX.

ASKING THE MASTER.

When a boy at school comes to a word in his First Reader which he can by no means make out, or when he encounters a sticking-point in a "sum" he has set out to cipher, what does he do? His last resort is to go and ask the "Master." The School-teacher is there and gets his wages (such as they are) for this very thing—to explain, elucidate and clear away the difficulties which arise on the road to Knowledge. Well, here in the School-room of the Work-a-day world we have come upon a knotty point. Many intelligent workers are actually asking why it is that we cannot have as perfect a system of Distribution as the ants enjoy; and many others, if not clearly asking the question, are at least conscious of the fact—made manifest by their narrow circumstances—that there is somewhere a sad failure of civilization in the matter of fair and steady wages. There stand the schoolmasters, a great multitude of learned gentlemen, wearing gowns and hoods, the Professors of Political Economy in our Universities and Colleges, who not merely lecture day after day, but write books on their professed subject. It is our right and privilege to ask them for a solution of the problem. Acting on behalf of the voiceless millions I step up to the desk and request an explanation. The Master—a composite personality, embracing the genius and learning of all the Political Economists from Adam Smith's day to our own—rubs his chin thoughtfully, looks carefully into the matter through his spectacles, shakes his head, and finally says the thing is insoluble. He does not know, and cannot by searching find out, why it is that the wealth produced in the world cannot be equitably divided between the community and the private worker, each according to his respective contribution.

The master perhaps tells me this in plain terms, or perhaps he tantalizes me with a "barren maze of complexities" made up of technical jargon which to a mere every-day human being is utterly incomprehensible. It is simply the round-about way of saying he does not know. There are some who are inclined to say this Schoolmaster is a disingenuous, if not positively false man, who does know, but has his own reasons for not telling. I do not like to think so. I am inclined to believe that he is honest in saying he does not know, and sincere in adding that in his belief the difficulty in question is there by reason of the "inscrutable decrees of Providence."

Nor can I see that anything is to be really gained by stopping at this point to set forth the theories and explanation (in so far as these can be made out) which this Schoolmaster employs to justify his position. Enough that they will lead to the above hopeless conclusion—that he does not know what is wrong, unless it be some mysterious dispensation of the Creator. Nor would it be more useful to spend time in castigating the teacher for not knowing, since he is paid his wages for finding out.

Of course, we reject his conclusion, with the whole body of argument that leads up to it. It is manifestly unbelievable, and even involves something like blasphemy. There are two free agencies in the matter, God's and man's; and for my part, I must be fully convinced that man can by no possibility, through his folly or selfishness, be the cause of this miscarriage of things, before I shall feel at liberty to say it is by the will of God. I say there are two free agencies: What I mean is, that there are two law-making powers, the Human and the Divine. The latter being itself perfect, promulgates only perfect laws—laws, that is, which, being obeyed, infallibly secure a smooth, orderly, harmonious condition; the former, being itself imperfect, is capable of establishing laws that will necessarily produce friction and disorder. My belief being that the Ants do not legislate for themselves, but contentedly obey the laws of Nature—the Divine laws—I have ground for assuming that the true cause of the human trouble must be looked for in human legislation. If this turn out to be the case, then the explanations of the schoolmaster are not only untrue, but are the exact opposite of the truth; the reason why Wealth cannot be distributed equitably as between the community and the individual, and as between individuals of the same community, is to be found in laws deliberately established and maintained by man, and is in no degree the doings of Providence. Along this line, then, must our investigation proceed.

(To be continued.)

AT EASE IN ZION.

(For the Review.)

By W. A. DOUGLASS.

Part of an Unpublished Story.

"I should say he is comfortably fixed. The lines have fallen to him in pleasant places, and he has a goodly heritage," remarked the first speaker.

"Do you mean to tell me that he is very rich," asked the second.

"Well, hardly that. He is not a millionaire or a billionaire; but that makes no difference; for when a man has a few hundred thousands safely invested, so that he can live at his ease and not worry about business, he is just as well off as a man can be; he eats the best of the season, he sleeps on the